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BY THE COUNCIL OF MINISTERS.

LAW No. 87 OF 1965
THE FIVE YEARS ECONOMIC PLAN 1965-1969

In the Name of the People,
The Presidency of the Republic,

In accordance with the proivsions of the Interim Constitution, pursuant to the proposal of the Minister of Planning, and with the approval of the Council of Ministers and the National Council of the Revolutionary Command, do hereby order the promulgation of the following Law :—

Article 1.—The following expressions shall have the meanings shown thereagainst :

(1) **The Plan :** The Economic Development Plan for the five years, 1965/1969, enacted by this Law.

(2) **The Year :** The fiscal year that starts from 1st April and ends by 31st March.

(3) **The annual investment program (the yearly Plan) :** The program that is decided by the Board annually, within the general framework of the Five Years Plan.

(4) **The Board :** The Economic Planning Board, formed under Law No. 44 of 1964, and its amendment.

(5) **The Steering Committee :** The Steering Committee formed under Law No. 193 of 1964.

(6) **The relevant Minister :** The Minister to whom is connected the party entrusted with the study or execution of the projects of the Plan.

(7) **The relevant Ministry :** The Ministry that entrusts its departments with the study of the Plan projects or their execution.

(8) **The Executive Party :** The Ministry, the official or semi-official department which is entrusted with the implementation of the project.

(9) **The Beneficiary Party :** The Ministry, the official or semi-official department to whom the project after completion will be attached for its administration or for benefiting therefrom.

(10) **The Planning Bureau :** The Bureau formed under Law No. 27 of 1965 in every ministry having relation in setting out the Plan or its execution.

(11) **The Project :** The group of works or the activities, to which a special name is given, and is classified under a special article in the schedules of the Plan or of the annual investment programs.

(12) **The Work :** That part of the project which is defined in the annual investment programe under a special serial branching from the relevant article for that project.

(13) **The Total Cost :** The sums required to execute the work or the project completely including reserve and supervision funds, or it is the amounts designated in the total cost column in the schedules of Plan or the annual investment program.

(14) **The Yearly Allocations :** The sums allocated for expenditures on the project during each year of the Plan under this Law.

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(15) **The Plan Allocations :** The total sums allocated in accordance with this Law for implementation of the project wholly or in part during the years of the Plan.

Article 2.—The sum of ID.643,059,000 (six hundred fourty three million and fifty nine thousand Dinars) shall be allocated for expenditure on the projects set forth in the plan, and distributed over the chapters, sections and article stated in Schedule 1 annexed to this Law.

Article 3.—The sum of ID.25,000,000 (twenty five million Dinars) shall be allocated to defray what will be due from the Iraqi Government, during the years of the plan of interest, instalments and other expenses as a result of previous loans for financing the projects of the plan or other foreign and domestic loans that shall be concluded in accordance with Para. (1) of Article 8 of this Law.

Article 4.—The revenues necessary for financing the projects of the Plan are estimated at the sum of ID.561,167,000 (five hundred sixty one million and one hundred sixty seven thousand Dinars) as per Schedule 2 annexed to this Law, and what is realized therefrom shall be deposited with the Treasury to the credit of the Plan's account, with due consideration to the provisions of Law No. 44 of 1964 and its amendments.

Article 5.—(1) The Board shall enjoy a juristic personality for the purposes of this Law and as such shall have unlimited powers to decide on all matters required that the implementation of the Plan requires, and spending its allocations in accordance with the provisions of this Law, the laws and regulations in force, and has the right to delegate all or part of those powers to the Steering Committee and to the relevant ministries or their departments.

(2) The relevant Minister is deemed empowered to take decisions on all matters — other than what is excepted by a decision from the Board — required for the implementation of the project or work, if its total cost in the annual investment program does not exceed ID.500,000 (five hundred thousand Dinars). The Minister may delegate these powers to the departments of his Ministry or to his senior staff.

(3) (a) The method of appointment, the scales of salaries and the rules of service for the employees and labourers working in the implementation of works and projects of the Plan shall be determined by a regulation.

(b) The Board may, regardless of the provisions of the Law of Allowances No. 58 of 1961, grant with the approval of the Council of Ministers the necessary allowances, from Plan allocations to the employees permanent or otherwise and to the daily paid personnel.

(4) The Board may construe, amend or cancel its decisions or the decisions of the abolished Development Board and of the Economic Planning Board.

Article 6.—The relevant Minister shall be responsible for the implementation within the approved allocations of the annual investment programs and has to adhere to the decisions that had been or shall be passed by the Board, and the decisions that had already been passed by the abolished Development Board or Planning Board.

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Article 7.—**The Board may :**

(1) Issue instructions pertaining to the method for the presentation of problems before it and before the Steering Committee.

(2) Issue the necessary instructions for facilitating, controlling and supervising of the Plan.

(3) Undertake any measures it deems fit for supervising the implementation of the Plan.

(4) Decide the detailed outlines of the subsequent economic plan, in implementation of the general policy of the State.

(5) Issue the necessary instructions for starting the preparation of the subsequent economic plan.

Article 8.—**The Board shall :**

(1) Conclude domestic and foreign loans for financing projects of the Plan, under the guaranty of the Ministry of Finance by a special law that specifies the amount of the loan, its terms, interest and other conditions in accordance with the following :—

(a) The principal of the loans and their interest shall be exempted from all current or any future taxes and duties, their title deeds, counterfoils and relevant receipts shall be exempted from stamp fees.

(b) The deeds of the domestic loans shall be considered as cash, for the purposes of tenders and guarantees, related to official and semi-official departments.

(2) Lend the Government semi-official departments for financing their investment projects (their capital expenditures) within the Plan objectives, at a certain rate of interest and in accordance with a written contract embodying the agreed terms and conditions.

(3) Transfer the funds necessary, for continuation in executing any work or project, from the subsequent yearly allocations to the preceding year whose allocations are exhausted.

(4) Transfer allocations from one article to another within the same section, or from one section to another within the same chapter of the schedules annexed to this Law or to the annual investment programs.

(5) Increase or decrease the total of the annual allocations or the plan's allocations for any project within the one sector, for the proper preparation of the annual investment programs within the overall framework of the Plan.

(6) Transfer of ownership of projects and works to the beneficiary parties, official and semi-official or foregoing to them of their profits or any amounts realized thereof at any stage of implementation.

(7) Insert in the black list the names of contractors dealing with the Board in the implementation of the Plan projects, and cross-out their names, should it be required by public interest.

Article 9.—**The relevant Ministry shall undertake the following :—**

(1) Keep the accounts of each project separate from any other account.

(2) Provide the Board and the Ministries of Planning and Finance with all correspondence of Planning and executive nature, and the monthly reports in accordance with any instructions the Board may issue in that respect.

(3) Provide the Board, the Ministries of Planning and Finance with quarterly follow-up reports on every work or project, including progress of work therein, the amounts spent (inclusive of advances), the number of labourers employed for its execution, and any other necessary information, provided that report should be presented within one month from the end of the relevant quarter, in accordance with the provisions of the Planning and follow-up Law No. 27 of 1965.

Article 10.—The Ministry of Finance shall undertake the following:—

(1) Keep the accounts of the Plan separate from the Ordinary Budget accounts.

(2) Keep the accounts of each project separate from any other account.

(3) Provide the Board and the Ministry of Planning during the first half of the third month following the month in which the expenditure occurred or the revenue realized, with a report containing the following informations:—

(a) The amounts expended on each project and the amounts settled on account of loans' instalments and their interest.

(b) The amounts accounted for as revenue to the Plan in accordance with the numbers that had been or shall be assigned to it.

(4) Provide the Board and the Ministry of Planning with weekly statements of the Plan's cash balance.

Article 11.—(1) The ownership of all projects will revert to the Treasury, upon the issue of the final maintenance period certificate or the final acceptance certificate, if the projects were executed by way of tender, or upon completing the execution of the project if executed on departmental basis, and their profits thereafter — after deduction of Plan's share from them, as fixed by Article 14 of this Law — are considered as revenue to the General Budget.

(2) The projects attached to the Government semi-official institutions, Local Administration, Amanat Al-Asimah, Municipalities and other semi-official departments existing or that will exist as a result of the project, shall be excepted from the provisions of the preceding paragraph, as the ownership and profits shall revert to them, with due consideration to the provisions of other laws, on the issue of the final maintenance certificate or the final acceptance certificate if the projects were executed by way of tender or on completion, if their execution is carried out departmentally.

(3) The relevant Minister shall as well as the Minister of Finance, arrange to provide the necessary funds for the maintenance and operation of the projects and any parts thereof, in the General Budget or the subsidiary or

independent budgets, for the year subsequent to the year in which the final maintenance certificate or final acceptance certificate shall be issued if the work is executed by way of contract, or for the year subsequent to the year in which the execution of work is completed, if it were carried out departmentally.

Article 12.—(1) The expenditure on the Plan projects, shall be made in accordance with the Board decisions until the promulgation of a law determining the spending bases, the accountancy procedure for the economic plan and organising its accountancy departments.

(2) The revenues of the Plan shall be recorded under the numbers assigned for them.

(3) The settlement of the amounts paid prior to the execution of this Law and on account of the Detailed Economic Plan for the years 1961/1962 to 1965/1966 shall be accounted for against the fiscal year 1964, and the term of March Final shall be until 31/3/1966 during the fiscal year 1965/1966.

Article 13.—The Minister of Defence shall be considered vested with the powers of the Board in respect of the projects listed in Article 1 Section 52 Chapter 6 of Schedule 1 annexed to this Law. The said projects are excepted from the provisions of Article 9 of this Law.

Article 14.—The Plan funds spent or that shall be spent on the projects belonging to the semi-official departments are considered loans that should be repaid to the plan accounts at the rate of 20% of the total net profits and yearly reserves of such departments (after deduction of income tax from their profits) commencing with effect from the profits of the fiscal year 1965/1966.

Article 15.—The Ministry of Finance shall settle to the Plan account the advance of ID.25 million (twenty five million Dinars) cited in Article 18 of the General Budget Law as follows:—

(1) The first instalment of ID.8 million (eight million Dinars) shall be settled during the first year of the Plan.

(2) The second instalment of ID.5 million (five million Dinars) shall be settled during the second year of the Plan.

(3) The third instalment of ID.5 million (five million Dinars) shall be settled during the third year of the Plan.

(4) The fourth instalment of ID.5 million (five million Dinars) shall be settled during the fourth year of the Plan.

(5) The balance shall be settled during the fifth year of the Plan.

Article 16.—The loans and advances previously granted by the Board to the ministries and semi-official departments are considered complying with the Law, provided they all be covered by written agreements in accordance with the provisions of Para. (2) of Article 8 of this Law.

Article 17.—(1) The Detailed Economic Plan Law No. 70 of 1961 and its amendments are hereby repealed.

(2) Any text contradicting with the judicature of this Law in connection with the implementation of the Plan and the annual investment programs are deemed unenforcible.

Article 18.—This Law shall be published in the Official Gazette and shall be considered in force with effect from 1/4/1965.

Article 19.—The Ministers are charged with the execution of this Law.

Made at Baghdad this 9th day of Muharram, 1385, and the 11th day of May, 1965.

Abdul Salam Mohammed Arif,
President of the Republic.

Tahir Yahya,
Prime Minister.

Naji Talib,
Minister of Foreign Affairs.

Subhi Abdul Hamid,
Minister of Interior, and
Ag. Minister of Culture and Guidance.

Muhsin Hussein al-Habib,
Minister of Defence.

Abdul Sattar Ali al-Hussein,
Minister of Justice.

Mohammed Jawad al-Abousi,
Minister of Finance.

Shukri Saleh Zaki,
Minister of Education.

Aziz al-Hafidh,
Minister of Economics.

Abdul Sahib al-Alwan,
Minister of Agrarian Reform.

Abdul Fattah al-Alousi,
Minister of Works and Housing.

Abdul Majid Said,
Minister of Communications.

Adib al-Jadir,
Minister of Industry.

Abdul Aziz al-Wattari,
Minister of Oil.

Abdul Hassan Zalzalah,
Minister of Planning.

Abdul Karim Hani,
Minister of Labour and
Social Affairs, and
Ag. Minister of Health.

Abdul Hadi al-Rawi,
Minister of Agriculture.

Fuad al-Rekabi,
Minister of Municipal and
Village Affairs.

Musleh al-Naqshbandi,
Minister of Awqaf,

Abdul Razaq Muhyi al-Din,
Ministry of Unity.

(Published in the Waqayi' al-Iraqiya No. 1135 of 1/7/1965).

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

SUMMARY OF THE FIVE YEARS PLAN FOR THE AGRICULTURAL SECTOR)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Section	Name of the Project	Executing Ministry	Annual Allocations					Total Allocations in the Plan
			1965/66	1966/67	1967/68	1968/69	1969/70	
1	Storage Projects ...	Agrarian Reform	805	1620	795	1830	6300	11350
2	Irrigation and Drainage Projects ...	,, ,,	10250	17300	17670	16880	15000	77100
3	Government Farms ...	Agriculture	2080	5140	4540	2640	1600	16000
4	Agrarian Reform Projects ...	Agrarian Reform	3360	5250	5650	6700	5590	26550
5	Silos Projects ...	Economics	350	1090	1300	900	630	4000
6	Subterranean Water Projects ...	Municipal & Rural Affairs	1960	1650	1250	1140	1000	7000
7	Development of Agricultural and Animal Wealth Projects ...	Agriculture	3180	4700	5650	6575	6895	27000
8	Miscellaneous Projects ...	Agrarian Reform, Planning and North Development Affairs	3148	255	257	457	443	4560
	Total of Chapter I ...		25133	37005	37112	37122	37188	173560

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
1		STORAGE PROJECTS:	Ministry of Agrarian Reform (D.G. of Irrigation)							
	1	Mosul Dam Project ...		68000	250	250	50	1000	3700	5250
	2	Dokan Dam Project ...		15000	50	250	150	50	—	500
	3	Euphrates Dam Project ...		50000	100	300	200	550	2600	3750
	4	Himrin Dam Project ...		6000	40	120	60	30	—	250
	5	Habbaniyah Reservoir Project (Heightening of Mejarrah Regulator and Bunds) ...		5000	165	300	135	—	—	600
	6	Reparations, expropriations and settlement of Dokan and Derbendikhan Reservoirs Population ...		4000	200	400	200	200	—	1000
		Total of Section 1 ...		148000	605	1620	795	1830	6300	11350

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
2		IRRIGATION AND DRAINAGE PROJECTS:	The Ministry of Agrarian Reform (D.G. of Irrigation)							
	1	Naifah ...		3000	50	200	250	250	250	1000
	2	Eski Kalek ...		1600	300	150	—	—	—	450
	3	Kirkuk-Hawaija-Udhaim ...		57000	1150	3000	2150	2350	2350	11000
	4	Al-Ishaqi ...		9000	400	700	850	1000	1050	4000
	5	Middle Diala ...		5500	80	300	300	220	100	1000
	6	Lower Diala ...		33000	1250	3000	2750	2500	1500	11000
	7	Mandali, Badra, Jassan ...		5000	110	900	1500	900	340	3750
	8	Dalmaj ...		9500	1650	1500	2000	1350	1000	7500
	9	Dujaila ...		2000	200	350	250	—	—	800
	10	Gharraf ...		70000	430	400	750	1000	1070	3650
	11	Mussayab and Nasiriya ...		1000	30	100	150	150	70	500

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations n the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
2	12	Amarah ...	The Ministry of Agrarian Reform (D.G. of Irrigation)	33000	380	800	800	870	900	3750
	13	Ramadi and Upper Euphrates Drains ...		5000	100	300	400	600	600	2000
	14	Saqlawiya-Abu-Ghraib-Yousifiya-Latifiya ...		6500	650	750	750	600	500	3250
	15	Iskandariya ...		1450	20	150	300	200	80	750
	16	Hussainiya-Beni Hassan ..		6300	330	300	250	200	170	1250
	17	Hilla-Kifl ...		6000	250	250	300	300	300	1400
	18	Hilla-Diwaniya ...		31000	220	400	900	1180	1300	4000
	19	Rumaitha ...		3500	160	300	300	350	390	
	20	Rayon Factory Irrigation Project ...		500	40	200	200	60	—	500
	21	Kifl-Shenafiya ...		17000	200	300	200	500	800	2000
	22	Shenafiya-Nasiriya-Hammar ...		15000	100	200	150	150	150	750
	23	Main Drain between Tigris and Euphrates		6000	—	150	100	100	100	450

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
2	24	Shat al-Arab Area ...	The Ministry of Agrarian Reform (D.G. of Irrigation)	2000	20	50	150	200	230	650
	25	Hindiya Barrage ...		500	30	150	220	100	—	500
	26	Baghdad Northern Bund ...		650	350	300	—	—	—	650
	27	Agrarian Reform Projects ...		* 4000	500	750	850	950	950	4000
	28	Minor Irrigation Projects ...		* 3000	750	750	500	500	500	3000
	29	Completion and improvement of the Major Irrigation Projects ...		* 1300	200	250	250	300	300	1300
	30	Machinery and earth moving equipment for maintenance of irrigation canals & drains ...		500	250	250	—	—	—	500
	31	Studies, Hydraulic Laboratories and Departments ...		250	50	100	100	—	—	250
		Total of Section 2 ...		340050	10250	17300	17670	16880	15000	77100

* The Plan allocations are considered to be the total cost for the purposes of this Law wherever this sign appears in the tables.

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
3		GOVERNMENT FARMS:	The Ministry of Agriculture							
	1	Cotton Farm at Suwaira ...	Government Farms Establishment	4000	375	500	600	750	775	3000
	2	Rice Farm ...	,,	1600	115	200	250	250	185	1000
	3	Medical Plantations Farm ...	,,	500	40	40	40	40	40	200
	4	Abu-Ghraib, Hawaija, Latifiya and Bakra Jo Farms ...	D.G. of Agriculture	2000	270	200	150	100	80	800
	5	Other Farms ...	Government Farms Establishment	* 1000	30	200	250	250	270	1000
	6	Sugar Cane ...	The Ministry of Agriculture — Sugar Cane Establishment	17000	1250	4000	3250	1250	250	10000
		Total of Section 3 ...		26100	2080	5140	4540	2640	1600	16000

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THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
4		AGRARIAN REFORM PROJECTS:	Ministry of Agrarian Reform D.G. of Surveys							
	1	Survey Works ...		* 1150	230	300	250	250	120	1150
	2	Agricultural Mechanization ...	D.G. of Agricultural Machinery	* 8000	1250	1500	1500	200	1750	8000
	3	Distribution of Agricultural Lands ...	(D.G. of Temporary Administration and Distribution)	* 1000	100	200	250	250	200	1000
	4	Cooperation and Agricultural Production	(D.G. of Agrarian Cooperation)	* 7400	1000	1500	1500	1700	1700	7400
	5	Directed Lending ...	Agricultural Bank & Cooperative Bank	* 5000	200	1000	1250	1500	1050	5000
	6	Al-Mussayab al-Kabir ...	(Al-Musayab al-Kabir Project Administration)	4000	580	750	900	1000	770	4000
		Total of Section 4 ...		26550	3360	5250	5650	6700	5590	26550

* The Plan allocations are considered to be the total cost for the purposes of this Law wherever this sign appears in the tables.

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
5		SILOS PROJECTS:	Ministry of Economics — The Grain Board							
	1	Baghdad Concrete Silo ...		700	10	90	100	—	—	200
	2	Kut Silo ...		725	200	—	—	—	—	200
	3	Kirkuk Silo ...		650	20	200	250	100	80	650
	4	Diwaniya Silo ...		900	30	300	400	150	20	900
	5	Small Silos and Stores ...		• 1800	40	400	500	600	260	1800
	6	Complementary works to present Silos ..		250	50	100	50	50	—	250
		Total of Section 5 ...		5025	350	1090	1300	900	360	4000
6		SUBTERRANEAN WATER:								
	1	Studies of Subterranean water and drilling artesian wells ...	The Ministry of Municipal and Rural Affairs — D.G. of Rural Affairs	• 7000	1960	1650	1250	1140	1000	7000
		Total of Section 6 ...		7000	1960	1650	1250	1140	1000	7000

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
7		DEVELOPMENT OF AGRICULTURAL AND ANIMAL WEALTH:	Ministry of Agriculture — Administration							
	1	Development of Agricultural Economy ...		* 1250	140	300		260	250	1250
	2	Protection of Plantations from insects and plant diseases ...	D.G. Agriculture	* 3500	541	650	[illegible]	800	809	3500
	3	Reclamation and Development of agricultural lands ...	D.G. of Agricultural Research and Projects	* 4850	372	750	1000	1350	1378	4850
	4	Expansion and improvement of Forests ...	D.G. of Forests	* 2500	348	450	500	600	602	2500
	5	Expansion and improvement in animal production ...	D.G. Animal Wealth and Veterinary	* 7000	861	1250	1500	1600	1789	7000
	6	Development of Agricultural Methods ...	D.G. of Agriculture	* 3775	535	650	750	890	950	3775

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

AGRICULTURAL SECTOR
Chapter I

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
7	7	Dairy Products in the Districts ...	D.G. of Animal Wealth and Veterinary	* 1000	50	150	200	300	300	1000
	8	Development of natural pasturages ...	D.G. of Research & Agricultural Projects	* 1125	100	175	250	300	300	1125
	9	Production of seeds and improved nursery plants ...	D.G. of Agriculture and Research	* 1500	183	250	350	350	367	1500
	10	Development of fish wealth ...	D.G. Research and Agricultural Projects	* 500	50	75	100	125	150	500
		Total of Section 7 ...		27000	3180	4700	5650	6575	6895	27000
8		MISCELLANEOUS PROJECTS:								
	1	Agricultural Census ...	Ministry of Planning	* 530	103	105	107	107	108	530
	2	Other projects and settlement of completed projects accounts ...	Will be designated in investment projects.	* 4030	3045	150	150	350	335	4030
		Total of Section 8 ...		4560	3148	255	257	457	443	4560
		Total of Chapter I ...		584285	25133	37005	37112	37122	37188	173560

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

SUMMARY OF TOTAL ALLOCATIONS TO THE INDUSTRIAL SECTOR DISTRIBUTED OVER THE PROJECTS

(In Thousand Dinars)

Name of the Project	Annual Allocations					Total Allocations in the Plan
	1965/66	1966/67	1967/68	1968/69	1969/70	
Chemical Industries Projects	9,165	11,635	10,650	9,100	6,900	47,450
Medical Projects	1,160	1,450	690		—	3,300
Operation expenses of the industrial projects completed during the years of the Plan	635	865	1,000	1,250	1,250	5,000
Foodstuffs Industrial Projects	350	800	1,150	1,500	1,700	5,500
Constructional Industries Projects	270	1,650	1,900	2,220	860	6,900
Electrical Industries Projects	320	280	300	300	300	1,500
Metal Industries Projects	1,230	1,950	2,950	3,190	3,750	13,070
Spinning and Weaving Industrial Projects	2,850	5,150	5,650	4,650	2,800	21,100
Oil and Gas Projects	2,550	4,700	7,000	7,300	4,600	26,150
Geological Survey Works	100	150	150	200	200	800
Generation and Transmission of Electric Power Projects	10,210	9,110	7,050	7,200	5,980	39,550

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

SUMMARY OF TOTAL ALLOCATIONS TO THE INDUSTRIAL SECTOR DISTRIBUTED OVER THE PROJECTS

(In Thousand Dinars)

Name of the Project	Annual Allocations					Total Allocations in the Plan
	1965/66	1966/67	1967/68	1968/69	1969/70	
Atomic Energy Projects ...	750	630	170	—	—	1,550
Vocational Training Projects ...	200	550	500	900	380	2,530
Settlement of Accounts of completed projects ...	700	200	100	—	—	1,000
Municipal Electrical Projects ...	1,500	1,250	1,250	1,250	1,500	6,750
New Industrial Projects ...	110	90	100	1,250	3,100	4,650
Industrial Housing Projects ...	—	—	—	50	350	400
Total ...	32,100	40,460	40,610	40,360	33,670	187,200

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

SUMMARY OF THE TOTAL SUMS ALLOCATED TO THE INDUSTRIAL SECTOR DISTRIBUTED OVER THE EXECUTING PARTIES

(In Thousand Dinars)

	Executing Party	Annual Allocations					Total Allocations in the Plan
		1965/66	1966/67	1967/68	1968/69	1969/70	
1.	Ministry of Industry ...	26,900	33,030	31,390	31,210	27,220	149,750
2	Ministry of Oil ...	2,550	4,700	7,000	7,300	4,600	26,150
3	Ministry of Labour and Social Affairs ...	100	100	—	—	—	200
4	Ministry of Municipal and Rural Affairs (Electricity) ...	1,500	1,250	1,250	1,250	1,500	6,750
5	Ministry of Works and Housing ...	—	—	—	50	350	400
6	Directorate General of Supplies ...	100	250	300	250	—	900
7	Iraqi Dates Organization ...	200	500	500	300	—	1,500
8	Atomic Energy Committee ...	750	630	170	—	—	1,550
	Total ...	32,100	40,460	40,610	40,360	33,670	187,200

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost.	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
9		**CHEMICAL INDUSTRIES PROJECTS:**	Ministry of Industry							
	1—4	Petrochemical Projects.		30,000	65	85	100	1,250	2,000	3,500
	5	Rayon Factory at Hilla.	"	1,500	—	—	—	50	50	100
	6	Fine Textile Factory at Hindiya.	"	13,000	3,300	5,000	2,500	900	—	11,700
	7	Paper & Pulp Factory - Basrah.	"	16,500	2,000	2,000	2,500	2,500	2,250	11,250
	8	Sulphur Recovery Factory - Kirkuk.	"	9,450	3750	2,500	2,500	700	—	9,450
	9	Fertilizers Factory - Basrah.	"	11,000	50	2,000	3,000	3,550	2,400	11,000
	10	Tyres and Tubes Factory.	"	2,000	—	50	50	150	200	450
		Total of Section 9.		83,450	9,165	11,635	10,650	9,100	6,900	47,450
10		**MEDICAL PROJECTS:**	Ministry of Industry							
	1	Pharmaceutical Factory — Samara								
		Iraqi Side.		3,800	1,010	1,200	590	—	—	2,800
		U.S.S.R. Loan		3,050	150	250	100	—	—	500
		Total of Section 10.		6,850	1,160	1,450	690	—	—	3,300

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost.	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
11	1	Operation Expenses of Industrial Projects completed during the years of the Plan.	Ministry of Industry	5,000	635	865	1,000	1,250	1,250	5,000
12		**Foodstuffs Industrial Projects**	Ministry of Industry							
	1	Sugar Factory - Sulaimaniya.		3,000	—	—	50	200	750	1,000
	2	Expansion of Mosul Sugar Factory.	"	2,500	50	50	300	750	950	2,100
	3	Bakeries Projects.	D.G. of Supplies	900	100	250	300	250	—	900
	4	Dates and Animal Fodder Projects.	Dates Organization	1,500	200	500	500	300	—	1,500
		Total of Section 12.		7,900	350	800	1,150	1,500	1,700	5,500
13		**Constructional Industries Projects:**	Ministry of Industry							
	1	Ceramic Factory - Ramadi.		2,500	30	500	700	820	350	2,400
	2	Glass Factory - Ramadi.								
		Iraqi Side		3,250	140	750	800	1,000	510	3,200
		U.S.S.R. Loan		2,250	100	400	400	400	—	1,300
		Total		5,500	240	1,150	1,200	1,400	510	4,500
		Total of Section 13.		8,000	270	1,650	1,900	2,220	860	6,900

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost.	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
14		**Electrical Industries:**	Ministry of Industry							
	1	Electro Technical Projects:								
		Iraqi Side.		1,200	260	90	—	—	—	350
		U.S.S.R. Loan.		1,100	50	100	—	—	—	150
		Total		2,300	310	190	—	—	—	500
	2	Electric Bulbs Factory.		1,300	10	90	300	300	300	1,000
		Total of Section 14.		3,600	320	280	300	300	300	1,500
15		**Metal Industries:**	Ministry of Industry							
	1	Iron and Steel Factory.		26,000	50	100	1,000	2,300	3,750	7,200
	2	The Agricultural Implements Factory at Iskandariya.	″							
		Iraqi Side.		5,700	910	1,500	1,700	890	—	5,000
		U.S.S.R. Loan.		4,600	200	350	250	—	—	800
		Total		10,300	1,110	1,850	1,950	890	—	5,800
	3	Geological Equipment Repair Shop.	″							
		Iraqi Side.		100	70	—	—	—	—	70
		U.S.S.R. Loan.		65	—	—	—	—	—	—
		Total		165	70	—	—	—	—	70
		Total of Section 15		36,465	1,230	1,950	2,950	3,190	3,750	13,070

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost.	Annual Allocations					Total Allocations in the Plan
					1965/66.	1966/67	1967/68	1968/69	1969/70	
		Spinning and Weaving Industrial Projects:								
	1	The Cotton Textile Factory - Kut.	Ministry of Industry							
		Iraqi Side.		5,150	1,000	1,250	1,250	500	—	4,000
		U.S.S.R. Loan.		4,700	100	200	200	—	—	500
		Total		9,850	1,100	1,450	1,450	500	—	4,500
	2	Cotton Textile Factory - Nasiriya.	"	4,000	50	50	400	1,400	1,900	3,800
	3	Rayon Textile Factory - Hilla	"	9,100	1,200	3,000	3,000	1,800	—	9,000
	4	Knitting and Hosiery Factory - Kut.	"							
		Iraqi Side.		1,420	400	350	—	—	—	750
		U.S.S.R. Loan.		1,130	50	—	—	—	—	50
		Total		2,550	450	350	—	—	—	800
	5	Expansion of Mosul Textile Factory.	"	3,500	50	300	800	950	900	3,000
		Total of Section 16.		29,000	2,850	5,150	5,650	4,650	2,800	21,100

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INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost.	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
17		**OIL AND GAS PRODUCTS:**								
	1	Basrah Refinery.	Ministry of Oil.	12,000	50	200	2,000	3,750	4,000	10,000
	2	Mosul Refinery.	”	11,000	—	—	—	50	100	150
	3	Natural Gas Pipelines and LPG. Distribution.	Gas Distribution Service	16,500	2,500	4,500	5,000	3,500	500	16,000
		Total of Section 17.		39,500	2,550	4,700	7,000	7,300	4,600	26,150
18	1	Geological Survey Works.	Ministry of Industry	*800	100	150	150	200	200	800
19		**Power Generation & Transmission Projects:**								
	1	Inter-connection of North and Central Net Works Projects.	Ministry of Industry	1,500	700	250	—	—	—	950
	2	Expansion of Baghdad South Station.								
		Iraqi Side.	”	3,300	600	100	—	—	—	700
		Export-Import Bank Loan.		4,900	1,600	1,200	500	—	—	3,300
		Total.		8,200	2,200	1,300	500	—	—	4,000

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INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost.	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
19	3	Dora Power Station and its Expansion.	Ministry of Industry	17,000	2,200	2,750	2,750	2,750	2,550	13,000
	4	Expansion of Basrah Power Station.	"	850	10	10	200	400	230	850
	5	Samarra Hydro-Electric Station.	"	7,000	1,400	1,500	1,500	1,500	1,100	7,000
	6	Dokan Hydro-Electric Station.	"	8,500	—	—	—	25	50	75
	7	Derbendikhan Hydro-Electric Station	"	5,500	—	—	—	25	50	75
	8	Additional means for transmission of power in the Northern region.	"	950	400	400	100	—	—	900
	9	Additional means for transmission of power in the Central region.	"	6,350	1,800	900	—	—	—	2,700
	10	Additional means for transmission of power in the Southern region and their expansion.	"	13,000	1,500	2,000	2,000	2,500	2,000	10,000
		Total of Section 19.		68,850	10,210	9,110	7,050	7,200	5,980	39,550

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THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost.	Annual Allocations					Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
20		**ATOMIC ENERGY PROJECTS:**								
	1	Atomic Reactor.	Atomic Energy Committee	2,400	500	400	100	—	—	1,000
	2	Cobalt Unit.	"	600	220	130	—	—	—	350
	3	Nuclear Research Centres.	"	250	30	100	70	—	—	200
		Total of Section 20		3,250	750	630	170	—	—	1,550
21		**VOCATIONAL TRAINING PROJECTS:**								
	1	Industrial Vocational Training Centres.	Ministry of Industry							
		Iraqi Side.		1,700	20	200	300	700	380	1,600
		U.S.S.R. Loan.		650	50	200	200	200	—	650
		Total		2,350	70	400	500	900	380	2,250
	2	Industrial Administration Development Centre.	Industrial Administration Development Centre	80	30	50	—	—	—	80
	3	Vocational Training Centre	Ministry of Labour & Social Affairs	. 200	100	100	—	—	—	200
		Total of Section 21.		2,630	200	550	500	900	380	2,530

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INDUSTRIAL SECTOR
Chapter II

(In Thousand Dinars)

Table 1

Section	Article	Name of the Projects	Executing Party	Total Cost.	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
22	1	Settlement of accounts of completed projects and complementary works.	Ministry of Industry	1,000	700	200	100	—	—	1,000
23	1	Municipal Electricity Projects.	Ministry of Municipal and Rural Affairs.	10,000	1,500	1,250	1,250	1,250	1,500	6,750
24	1	New Industrial Projects including Fao Salt Works, the Woolen Textile Factory in the North, Tractors and Vehicles assembling, Pressed Timber, Starch, Laboratories of Specifications and Measurements Corporation, Studies of Industrial Surveys and other Industrial Projects.	Ministry of Industry	14,000	110	90	100	1,250	3,100	4,650
25	1	Industrial Housing Projects.	Ministry of Works and Housing.	13,500	—	—	—	50	350	400
		Grand Total of Industrial Sector.		333,795	32,100	40,460	40,610	40,360	33,670	187,200

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

SUMMARY OF TOTAL SUMS REQUIRED FOR THE TRANSPORT AND COMMUNICATIONS SECTOR DISTRIBUTED OVER THE PROJECTS OF VARIOUS PARTIES

(In Thousand Dinars)

	Executing Party	Annual Allocations					Total Allocations in the Plan
		1965/66	1966/67	1967/68	1968/69	1969/70	
1	Roads and Bridges Projects ...	9,966	12,990	13,555	11,540	13,745	61,796
2	Railways Projects ...	4,325	4,250	4,475	800	800	14,650
3	Iraqi Ports Projects ...	5,339	2,725	270	—	—	8,334
4	Posts, Telegraphs and Telephones Projects ...	1,850	2,550	2,440	1,200	700	8,740
5	Boardcasting and Television Projects ...	2,380	3,050	1,750	750	750	8,680
6	Civil Avaition Projects ...	256	70	20	4	—	350
7	Iraqi Airways Projects (Loan for the purchase of aeroplanes). ...	1,350	845	315	—	—	2,510
8	Passenger Transport Service (Loan for the purchase of buses and construction of garages). ...	1,000	—	—	—	—	1,000
9	Marine Transport Service Projects ...	100	1,000	2,100	800	—	4,000
	Grand Total ...	26,566	27,480	24,925	15,094	15,995	110,060

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

TRANSPORT AND COMMUNICATIONS SECTOR

Chapter III

(In Thousand Dinars)

Table 1

Section	Art.	Name of the Project.	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
26		**ROADS AND BRIDGES :**								
	1	Baghdad-Sammarra-Mosul Road.	Ministry of Communications	10,650	850	1,000	1,000	1,000	750	4,600
	2	Baghdad-Kirkuk Road.	"	9,900	200	50	—	—	—	250
	3	Ramadi-Haditha Road.	"	3,200	200	600	600	700	1,100	3,200
	4	Jalula-Derbendikhan Road.	"	6,550	100	50	—	—	—	150
	5	Kirkuk-Mosul Road.	"	6,500	—	—	—	75	75	150
	6	Baghdad-Jedayda-Khalis Road.	"	2,200	250	500	500	500	250	2,000
	7	Dewaniya-Nasiriya Road.	"	5,500	300	400	600	700	500	2,500
	8	Baquba-Muntheriya Road.	"	2,750	20	30	—	—	—	50
	9	Nasiriya-Qurna Road.	"	3,400	150	450	500	400	—	1,500
	10	Baghdad- Daura Bifurcation Road.	"	500	50	400	50	—	—	500
	11	Basrah-Fao Road.	"	2,000	200	250	100	100	100	750
	12	Basrah-Zubair-Safwan-Umm Qasser.	"	1,350	200	150	150	150	350	1,000

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
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TRANSPORT AND COMMUNICATIONS SECTOR
Chapter III

(In Thousand Dinars)

Table 1

Section	Art.	Name of the Project.	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
26	13	Kut-Amara Road.	Ministry of Communications	4,850	250	50	50	—	—	350
	14	14th July Bridge.	"	2,350	80	20	—	—	—	100
	15	Daura Bridge.	"	5,500	10	10	10	10	60	100
	16	Diala Bridge.	"	1,250	100	200	200	150	100	750
	17	Fallouja Bridge.	"	1,670	450	500	350	100	—	1,400
	18	Suwaira Bridge.	"	1,600	30	30	30	30	280	400
	19	North Gate Bridge.	"	2,200	50	50	100	100	1,200	1,500
	20	Garmat Ali Bridge.	"	1,240	500	400	250	50	—	1,200
	21	Kut-Nasiriya Road.	"	6,000	500	1,000	1,000	1,000	2,000	5,500
	22	Diwaniya-Abu Sukhair-Kufa Road.	"	3,500	750	1,000	850	400	—	3,000
	23	Ramadi-Rutba-Syrian Borders Road.	"	11,750	50	50	600	600	1,100	2,400
	24	Baghdad-Abu Ghraib Road.	"	500	50	400	50	—	—	500
	25	Tikrit Bridge.	"	1,500	100	300	500	300	300	1,500

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TRANSPORT AND COMMUNICATIONS SECTOR
Chapter III

(In Thousand Dinars)

Table 1

Section	Art.	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
26	26	Amara Second Bridge.	Ministry of Communications	1,500	50	100	400	450	500	1,500
	27	Mosul Third Bridge.	,,	1,600	—	10	30	50	10	100
	28	Mussayab Bridge.	,,	750	20	30	100	300	300	750
	29	Hashemiya Bridge.	,,	250	—	20	30	100	100	250
	30	Hilla Bridge.	,,	250	20	100	130	—	—	250
	31	Diwaniya Bridge.	,,	250	20	80	100	50	—	250
	32	Northern Baghdad (Upper Army Canal) Bridge.	,,	2,100	—	10	30	50	10	100
	33	Widening and Stablization of shoulders of the main roads.	,,	*500	100	50	100	100	150	500
	34	Roads and Bridges in the Mountainous Regions.	,,	21,600	500	500	1,000	1,000	2,000	5,000
		Total of Section 26		127,210	6,150	8,790	9,410	8,465	11,235	44,050
27		**RAILWAYS :**								
	1	Erection of Baghdad-Margil-Umm Qasr Standard Gauge Line and Expansion of Shalchiya Workshops.	,,	39,000	4,100	4,000	3,400	—	—	11,500

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
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TRANSPORT AND COMMUNICATIONS SECTOR
Chapter III

(In Thousand Dinars)

Table 1

Section	Art.	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
27	2	Strengthening Baghdad-Tel Kuchek Railway Line.	Ministry of Communications	3,000	200	200	1,000	800	800	3,000
	3	Vocational Training Centre.	"	150	25	50	75	—	—	150
		Total of Section 27.		42,150	4,325	4,250	4,475	800	800	14,650
28		**PORTS AND NAVIGATION:**								
	1	Umm Qassir Port.								
	2	New Docks at Margil and replacement of the metric lines by Standard Gauge	Ministry of Communications	16,000	4,474	2,475	20	—	—	6,969
		Lines.	"	800	300	250	250	—	—	800
	3	Improvement of Navigation.	"	*565	565	—	—	—	—	565
		Total of Section 28.		17,365	5,339	2,725	270	—	—	8,334
29		**CIVIL AVAITION:**								
	1	Baghdad International Airport.	Ministry of Communications	15,000	2,250	2,500	2,500	1,500	1,250	10,000
		Total of Section 29.		15,000	2,250	2,500	2,500	1,500	1,250	10,000

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
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TRANSPORT AND COMMUNICATIONS SECTOR
Chapter III

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
30		**POSTS, TELEGRAPHS AND TELEPHONES PROJECTS :**								
	1	Baghdad East Automatic Exchange.	Ministry of Communications	850	50	—	—	—	—	50
	2	Automatic Exchange in Kadhimiya.	”	750	100	200	100	—	—	400
	3	Automatic Exchange in New Baghdad.	”	750	100	200	100	—	—	400
	4	Automatic Exchange in Yarmook.	”	750	100	200	100	—	—	400
	5	Central Telegraphs and Telephones Department.	”	500	50	50	200	200	—	500
	6	Automatic Exchange in the Republican Palace.	”	100	50	—	—	—	—	50
	7	Micro-Wave System covering all regions of Iraq	”	3,000	300	500	1,000	700	500	3,000
	8	Extention and Expansion of Telephone Cable Net Work in all parts of Iraq.	”	*1,000	200	200	200	200	200	1,000
	9	Establishment of training Centre for wired and wireless Communications.	”	250	100	100	50	—	—	250

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

RANSPORT AND COMMUNICATIONS SECTOR
hapter III

(In Thousand Dinars)

Table 1

ction	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
30	10	Automatic Exchanges in Najaf, Erbil, Hilla, Kirkuk, Basrah, Kerbala and Diwaniya ...	Ministry of Communications	1,500	200	700	540	—	—	1,440
		Total of Section 30 ...		9,450	1,250	2,150	2,290	1,100	700	7,490
31		BROADCASTING AND TELEVISION:								
	1	Al-Hurriya Broadcasting Station at Salman Pak ...	Ministry of Culture and Guidance	2,400	150	50	—	—	—	200
	2	Al-Thawra Broadcasting Station at Abu Ghraib ...	,,	700	180	—	—	—	—	180
	3	Al-Sha'b Receiving Station at Daoudiya	,,	550	100	—	—	—	—	100
	4	Broadcasting and Television Centre at Baghdad ...	,,	12,000	250	1,500	1,500	750	750	4,750
	5	Broadcasting and Television Centres in the Districts ...	,,	1,900	150	600	250	—	—	1,000
	6	Basrah Medium Wave Broadcasting Station ...	,,	600	350	250	—	—	—	600

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
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TRANSPORT AND COMMUNICATIONS SECTOR
Chapter III

(In Thousand Dinars)

Table 1

ection	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
31	7	Kirkuk Medium Wave Broadcasting Station ...	Ministry of Culture and Guidance	300	150	150	—	—	—	300
	8	Television Stations in Districts ...	”	1,600	900	350	—	—	—	1,250
		Total of Section 31 ...		20,050	2,230	2,900	1,750	750	750	8,380
32		MINOR PROJECTS OF THE MINISTRY OF COMMUNICATIONS AND THE MINISTRY OF MUNICIPAL AND RURAL AFFAIRS:								
	1	Directorate General of Roads and Bridges	Ministry of Communications	* 7,746	1,566	1,700	1,645	1,575	1,260	7,746
	2	Post, Telegraph and Telephone Service ..	”	* 1,250	600	400	150	100	—	1,250
	3	Directorate General of Civil Aviation ...	”	350	256	70	20	4	—	350
	4	Loan for the purchase of new aeroplanes to the Iraqi Airways Service ...	Airways Service	2,950	1,350	845	315	—	—	2,510
	5	Loan for the Passenger Transport Service	Transport Service	1,000	1,000	—	—	—	—	1,000
		Total of Section 32 ...		13,296	4,772	3,015	2,130	1,679	1,260	12,856

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TRANSPORT AND COMMUNICATIONS SECTOR
Chapter III

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
33	1	Minor Projects of the Ministry of Culture and Guidance ...	Ministry of Culture and Guidance	* 300	150	150	—	—	—	300
34	1	Purchase of four ships for the Marine Transport Company ...	Ministry of Economics	4,500	100	1,000	2,100	800	—	4,000
		Grand Total of Chapter III ...		249,321	26,566	27,480	24,925	15,094	15,995	110,060

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* The Plan allocations are considered to be the total cost for the purposes of this Law wherever this sign appears in the tables.

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

BUILDINGS AND SOCIAL SERVICES SECTOR
Chapter IV

(In Thousand Dinars)

Section	Name of the Project	Executing Party	Annual Allocations					Total Allocations in the Plan
			1965/66	1966/67	1967/68	1968/69	1969/70	
35	Buildings for Government Departments ...	Ministries of Works and Housing and Interior	3,320	3,355	3,005	2,790	2,400	14,870
36	Buildings for Health Projects ...	Ministries of Works and Housing and Health	3,700	5,130	6,280	5,830	5,560	26,500
37	Buildings for Cultural Institutes ...	Ministries of Works and Housing, Interior and University	8,530	7,170	7,495	7,505	7,290	37,990
38	Housing Projects ...	Ministry of Works and Housing,	2,769	1,430	20	20	20	4,259
39	Water Supply Projects for Municipalities	Ministry of Municipal and Rural Affairs	3,270	2,949	2,416	1,255	1,110	11,000
40	Water Supply Projects for Baghdad Area	,,	550	500	450	300	200	2,000
41	Projects of Municipalities ...	,,	950	1,400	1,500	1,750	1,900	7,500
42	Projects of Amanat al-Assimah ...	,,	2,895	2,625	2,575	2,805	2,100	13,000
43	Sewage Projects ...	,,	1,010	1,651	2,167	1,833	2,589	9,250
44	Projects of Summer Resorts and Tourism	Ministry of Culture and Guidance	500	685	640	500	425	2,750
45	Projects of Culture and Guidance ...	,,	334	470	450	296	150	1,700

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BUILDINGS AND SOCIAL SERVICES SECTOR
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Section	Name of the Project	Executing Party	Annual Allocations					Total Allocations in the Plan
			1965/66	1966/67	1967/68	1968/69	1969/70	
46	Projects of Antiquities ...	Ministry of Culture and Guidance	170	120	120	120	120	650
47	Projects of Social Services ...	Ministry of Labour and Social Affairs	100	150	125	110	115	600
48	Projects for the Development of the North	Ministry of Works and Housing, and Ministry of State for Development of the North	850	650	—	—	—	1,500
49	Remunerations and wages of engineers, draftsmen, employees and other general technical expenses and outstanding amounts ...	Ministry of Works and Housing	150	150	150	150	150	750
50	Loan for the purchase of Al-Rawaf Building ...	Ministry of Culture and Guidance	450	—	—	—	—	450
	TOTAL ...		29,548	28,435	27,393	25,264	24,129	134,769

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
35		BUILDINGS FOR GOVERNMENT DEPARTMENTS:								
	1	The Civic Centre ...	Ministry of Works and Housing	15,000	350	300	200	200	150	1,200
	2	The Government Centre ...	,,	15,000	100	150	200	350	200	1,000
	3	Building of the Ministry of Planning and the Planning Board ..	,,	2,000	500	400	50	—	—	950
	4	Building of the National Council ...	,,	3,600	300	50	—	—	—	350
	5	Building of the Republican Palace ...	,,	4,500	480	120	100	—	—	700
	6	Building of the Directorate General of Buildings ...	,,	200	40	—	—	—	—	40
	7	Central Bureau of Statistics ...	,,	40	25	15	—	—	—	40
	8	Completion and Construction of Government Buildings and Houses of Administrative Staff	Ministries of Works and Housing and Interior	800	100	100	150	200	250	800
	9	Completion of Mobile Police Force Barracks and Police Mechanical Workshop ...	,,	200	85	35	50	—	—	170

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
35	10	Police Schools ...	Ministries of Works and Housing and Interior	750	50	100	150	150	300	750
	11	Police Hospital 100-Beds ...	,,	150	50	80	20	—	—	150
	12	Construction of Buildings for Directorates and Stations of Police, Passports, Nationality and Public Security Security ...	,,	750	50	100	100	250	250	750
	13	Completion and Construction of Police Stations ...	Ministry of Interior	500	150	100	100	75	75	500
	14	Completion and Construction of Customs Posts, Departments and Stores ...	Ministries of Works and Housing	750	200	150	150	125	125	750
	15	Completion, Construction and Enlargement of Courts buildings and houses of Judges ...	,,	2,000	400	400	400	400	400	2,000
	16	Guest House at Baghdad ...	,,	1,250	150	400	500	200	—	1,250
	17	The Iraqi Embassy at Beirut ...	,,	200	45	75	50	—	—	170

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
35	18	The Iraqi Embassy at New Delhi ...	Ministry of Works and Housing	132	20	50	50	—	—	120
	19	Construction and Purchase of Buildings for the Ministry of Foreign Affairs ...	Ministries of Works and Housing and Foreign Affairs	80	35	10	15	20	—	80
	20	Central Prison at Abu Ghraib ...	Ministry of Works and Housing	3,600	170	700	700	800	630	3,000
	21	Improvements in Prisons ...	,,	200	20	20	20	20	20	100
		Total of Section 35 ...		51,702	3,320	3,355	3,005	2,790	2,400	14,870
36		HEALTH PROJECTS:								
	1	Medical City — Baghdad 1st. and 2nd. Stages ..	Ministry of Works and Housing	8,200	1,400	1,200	1,200	1,000	950	5,750
	2	Completion of Leprosy Hospital — Amarah ...	,,	400	80	20	—	—	—	100
	3	Annihilation of Malaria ...	Ministry of Health	* 3,000	700	700	750	450	400	3,000

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
36	4	Expropriation of Yarmook Hospital ...	Ministry of Health	190	175	15	—	—	—	190
	5	Construction of Educational Hospital — Basrah ...	Ministry of Works and Housing	5,300	210	790	1,000	800	800	3,600
	6	Construction of Sulaimaniya Hospital ...	,,	500	20	150	250	80	—	500
	7	Construction of Amarah Hospital ...	,,	500	50	200	200	50	—	500
	8	Construction of Main Health Centres in Sub-Districts ...	,,	6,000	250	800	800	900	850	3,600
	9	T.B. Fighting Project and 3 T.B. Clinics	Ministries of Health and Works and Housing	600	60	140	140	140	120	600
	10	Construction of Hospitals in Sub-Districts 18 Hospitals ...	Ministry of Works and Housing	950	150	150	150	250	250	950
	11	Enlargement of Sub-Districts' Hospitals 36 Nos. ...	,,	575	150	100	100	100	125	575
	12	Enlargement of Districts' Hospitals 8 Nos.	,,	620	200	150	90	90	90	620
	13	Construction of Quarantines 5 Nos.	,,	230	—	20	70	70	70	230

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
36	14	Building a workshop and a garage for Health Vehicles — Baghdad ...	Ministry of Works and Housing	60	20	40	—	—	—	60
	15	Construction of 6 drug stores ...	,,	250	25	75	100	50	—	250
	16	Construction of Public Hospital in Kirkuk 220-Beds ...	,,	500	—	50	150	150	150	500
	17	Construction of Public Hospital in Kerbala 220-Beds ...	,,	500	—	50	150	150	150	500
	18	Construction of a Public Hospital in Baquba 220-Beds ...	,,	500	—	50	150	150	150	500
	19	Construction of a Chest Disease Hospital in Mosul 500-Beds ...	,,	1,400	20	50	300	500	530	1,400
	20	Construction of a Chest Disease Hospital in Nasiriya 500-Beds ...	,,	600	20	200	200	180	—	600
	21	Construction of a Chest Disease Hospital in Kirkuk 500-Beds ...	,,	600	—	—	—	50	150	200
	22	Construction of a Chest Disease Hospital in Amara 500-Beds ...	,,	600	—	—	—	50	150	200

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Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
36	23	Construction of Public Health Laboratories in Iraq 3 Nos.	Ministry of Works and Housing	400	—	—	50	150	200	400
	24	Construction of the Training Centre for the health vocation in Baghdad.	„	250	10	50	100	90	—	250
	25	Fixtures and Equipments.	Ministry of Health	1,275	150	100	250	350	425	1,275
	26	Construction of Virus and Vaccines Factory in Baghdad.	Ministry of Works and Housing	150	10	30	80	30	—	150
		Total of Section 36.		34,150	3,700	5,130	6,280	5,830	5,560	26,500
37		**Buildings of Cultural Institutes :**								
	1	University Buildings — Baghdad.	Ministry of Works and Housing	30,500	1,160	2,500	3,000	3,000	2,850	12,510
	2	University Buildings — Mosul.	„	8,000	150	200	700	700	750	2,500
	3	University Buildings — Basrah.	„	8,000	200	300	700	700	600	2,500

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Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
37										
	4	Veterinary College and Hospital Buildings — Baghdad.	Baghdad University	460	230	230	—	—	—	460
	5	Sharia College Building — Baghdad.	,,	150	75	75	—	—	—	150
	6	College of Dentistry Buildings — Baghdad.	,,	180	90	90	—	—	—	180
	7	College of Pharmacy Building — Baghdad.	,,	200	100	100	—	—	—	200
	8	Laboratory Buildings of Medical College —Mosul.	Ministry of Works and Housing	300	100	100	50	—	—	250
	9	Laboratory Buildings of Major Sciences in the Medical College.	,,	300	50	30	—	—	—	80
	10	Completion of Agricultural College Buildings — Abu Ghraib.	,,	35	35	—	—	—	—	35
	11	High Institute for Physical Training and Boyscouts Field.	,,	450	75	25	—	—	—	100

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
37	12	Completion of Buildings started by Baghdad University.	Baghdad University	150	150	—	—	—	—	150
	13	Constructional Works — Mosul.	,,	880	480	400	—	—	—	880
	14	New Constructional Works — Basrah.	,,	750	200	200	200	150	—	750
	15	Establishment of an Agricultural Institute at Abu Ghraib.	,,	150	50	100	—	—	—	150
	16	Establishment of a Vocational Training Institute — Baghdad.	,,	200	50	150	100	—	—	200
	17	Girls Boarding Section at Waziriya.	,,	400	50	150	100	100	—	400
	18	Study Rooms in the Engineering College.	,,	50	50	—	—	—	—	50
	19	Extensions in Girls College.	,,	70	70	—	—	—	—	70
	20	Umm Al-Khanazir Island.	,,	500	100	100	100	100	100	500
	21	Advance to the University.	Ministry of Finance	2,000	2,000	—	—	—	—	2,000

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Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
37	22	Construction of Industrial Schools 5 Nos.	Ministry of Works and Housing	600	10	30	180	190	190	600
	23	Construction of Agricultural Schools 4 Nos.	,,	600	10	30	180	190	190	600
	24	Construction of Household Arts Schools 5 Nos.	,,	300	10	20	90	90	90	300
	25	Construction and Extensions of Teachers Colleges 3 Nos.	,,	245	80	40	40	40	45	245
	26	Construction and Extension of General Secondary Schools and Boarding Sections 435 class-rooms.	,,	1,000	300	200	200	150	150	1,000
	27	Construction and Extension of Intermediate Schools 1,150 class-rooms, with introduction of vocational training.	,,	2,500	650	500	450	450	450	2,500
	**28	Construction and Extension of elementary schools 7,900 class-rooms.	Ministry of Interior	7,500	1,450	1,350	1,350	1,550	1,800	7,500

** Including other local administration projects approved and given for and the Local Administration have to meet the cost of their other projects within their sphere of concern from own revenues besides the Plan.

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
37	29	Settlement of accounts and extension of Industrial, Agricultural and Household Arts Schools.	Ministry of Works and Housing	750	390	170	70	20	—	650
	30	Education Directorates in Districts 5 Nos.	„	150	10	20	40	40	40	150
	31	Expropriations for Educational Projects.	„	155	20	30	35	35	35	155
	32	Buildings of the Iraqi Academy and Audio-Visual Centre.	„	210	75	30	10	—	—	115
	33	Baghdad Sports Stadium	„	1,900	60	—	—	—	—	60
		Total of Section 37.		69,635	8,530	7,170	7,495	7,505	7,290	37,990
38		**HOUSING PROJECTS:**								
	1	Completion of Public Utilities of present Housing Projects.	Ministry of Works and Housing	*1,800	1,100	700	—	—	—	1,800

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					1965/66	1966/67	1967/68	1968/69	1969/70	
38	2	Completion of Public Buildings of present Housing Projects.	Ministry of Works and Housing	*1,100	797	303	—	—	—	1,100
	3	Completion of Houses of Building Projects.	,,	*265	108	157	—	—	—	265
	4	Settlement of accounts of completed projects and building licence fees.	,,	*660	410	250	—	—	—	660
	5	Expansion and operation of Housing Research Centre.	,,	*100	20	20	20	20	20	100
	6	Expropriations for Housing Projects.		60	60	—	—	—	—	60
	7	Designing, Survey and removal expenses.	,,	45	24	—	—	—	—	24
	8	Implementation of Housing Projects for the poor class.	,,	250	250	—	—	—	—	250
		Total of Section 38.		4,280	2,769	1,430	20	20	20	4,259

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Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
39		**Municipal Water Supply Projects :**								
	1	Nasiriya-Shatra Unified Water Supply Project.	Ministry of Municipal and Rural Affairs	1,400	300	25	—	—	—	325
	2	Baquba Unified Water Supply Project.	,,	700	300	40	—	—	—	340
	3	Erbil Water Supply Project.	,,	1,000	100	300	350	215	—	965
	4	Settlement of accounts of completed projects.	,,	2,389	190	19	—	—	—	209
	5	Water supply projects under execution (cost less than ID. ½ million).	,,	1,725	905	400	375	45	—	1,725
	6	Mussayab-Iskandariya Water Supply Project.	,,	450	150	180	120	—	—	450
	7	Najaf Water Supply Project.	,,	800	150	350	250	50	—	800
	8	Al-Khalis and Hibhib Water Supply Project.	,,	600	200	290	100	10	—	600
	9	Mosul Water Supply Project.	,,	880	250	200	50	—	—	500

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					1965/66	1966/67	1967/68	1968/69	1969/70	
39	10	Minor Water Supply Projects (cost of the project less than ID. ¼ million).	Ministry of Municipal and Rural Affairs	2,455	95	500	550	550	760	2,455
	11	Samawa-Rumaitha Unified Water Supply Project.	"	450	50	100	150	100	50	450
	12	Khanaqin-Mundhiriya Unified Water Supply Project.	"	300	50	80	150	20	—	300
	13	Enlargement of Water Supply Projects under execution.	"	761	435	265	61	—	—	761
	14	Enlargement of Proposed Water Supply Projects.	"	660	65	150	150	145	150	660
	15	Construction of Water Supply Projects in villages falling on river banks with a population not less than 500 inhabitants (35) villages.	"	400	30	40	100	100	130	400
	16	Construction of Water Supply Projects in villages falling near water fountains where there are wells and with a population not less than 200 inhabitants, (13) villages.	"	60	—	10	10	20	20	60
		Total of Section 39		15,030	3,270	2,949	2,416	1,255	1,110	11,000

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					1965/66	1966/67	1967/68	1968/69	1969/70	
40		WATER SUPPLY PROJECTS IN BAGHDAD:								
	1	Construction of a water purification centre at Khir ...	Ministry of Municipal and Rural Affairs	600	300	100	100	—	—	500
	2	Construction of a water purification centre at upprer Army Canal ...	,,	600	50	200	200	100	50	600
	3	Completion of water reservoirs under construction ...	,,	270	100	50	—	—	—	150
	4	Construction of five new water reservoirs in Baghdad ...	,,	500	50	100	100	150	100	500
	5	Raw Water Supply Project ...	,,	2,500	50	50	50	50	50	250
		Total of Section 40 ...		4,470	550	500	450	300	200	2,000
41	—	Municipal Projects ...	Ministry of Municipal and Rural Affairs	7,500	950	1,400	1,500	1,750	1,900	7,500

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42		AMANAT AL-ASSIMAH PROJECTS:								
	1	Completion of Projects already started ...	Ministry of Municipal and Rural Affairs	5,330	600	550	300	250	150	1,850
	2	Expropriations, and settlement of accounts of Army Canal ...	,,	7,142	350	500	650	650	650	2,800
	3	Expropriation and pavement of Baghdad West Trunk Street ...	,,	3,000	400	500	600	650	850	3,000
	4	Expropriation and pavement of Saba'wi Square ...	,,	150	100	50	—	—	—	150
	5	Expropriation and pavement of the street connecting the 14th July Suspension Bridge with the street leading to Baghdad University ...	,,	150	100	50	—	—	—	150
	6	Expropriation and pavement of Abu Nuwas Street ...	,,	350	50	50	100	100	50	350
	7	Completion of Expropriation and pavement of the streets surrounding the Holy Shrines of Kadhimain ...	,,	*1,000	150	200	200	300	150	1,000

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
THE FIVE YEARS ECONOMIC PLAN FOR THE FISCAL YEARS (1965—1969)

BUILDINGS AND SOCIAL SERVICES SECTOR (In Thousand Dinars)
Chapter IV **Table 1**

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
42	8	Expropriation and pavement of the streets leading to the Maternity Hospital, between Shuhada Square and Imam Mousa al-Kadhum Street (Juaifer) Baghdad West ...	Ministry of Municipal and Rural Affairs	100	80	20	—	—	—	100
	9	Expropriation and pavement of a park between the two sides of Aimmah Bridge crossing in Adhamiya ...	,,	250	50	50	50	100	—	250
	10	Expropriation and enlargement of Shuhada Square ...	,,	600	200	100	100	150	50	600
	11	Construction of crossings and tunnels in Tahrir Squuare ...	,,	750	20	50	250	230	200	750
	12	Expropriation for the purposes of the Kornish in Baghdad and on both sides of the river within the boundries of Amanat al-Assimah ...	,,	100	25	25	25	25	—	100
	13	Settlement of accounts and completion of deficiencies in the completed works	,,	2,216	620	30	—	—	—	650

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BUILDINGS AND SOCIAL SERVICES SECTOR
Chapter IV

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
42	14	Expropriation and Construction of the street stretching between Shuhada Square and Cairo Street (Alawi Al-Hillah) ...	Ministry of Municipal and Rural Affairs	500	100	200	100	100	—	500
	15	Pavement of Karradat-outer street leading to the Baghdad University ...	,,	750	50	250	200	250	—	750
		Total of Section 42 ...		22,388	2,895	2,625	2,575	2,805	2,100	13,000
43		SEWAGE PROJECTS:								
	1	Capital Sewerage Project ..	Ministry of Municipal and Rural Affairs	40,000	960	1,601	2,117	1,733	1,589	8,000
	2	Other Sewerage Projects in Mosul, Basrah, Nasiriya and Amara ...	,,	17,500	50	50	50	100	1,000	1,250
		Total of Section 43 ...		57,500	1,010	1,651	2,167	1,833	2,589	9,250

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BUILDINGS AND SOCIAL SERVICES SECTOR
Chapter IV

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
44		SUMMER RESORTS AND TOURISM PROJECTS:								
	1	Building of the Tourist Centre in Baghdad	Ministry of Culture and Guidance	400	25	100	150	95	10	380
	2	Construction of an International Tourist Hotel in Baghdad ...	Ministry of Works and Housing	3,000	—	—	—	—	50	50
	3	Construction of Casinos, Rest Stations, and Tourist Centres 13 Nos. ...	Ministry of Culture and Guidance	226	45	30	15	20	20	130
	4	Construction and enlargement of Rest Houses and Motels 11 Nos. ...	,,	263	70	90	40	30	30	260
	5	Construction and enlargement of Tourist Hotels 4 Nos. ...	,,	950	20	200	200	150	115	685
	6	Tourist means of Transport ...	,,	100	30	50	20	—	—	100
	7	Organization and establishment of public utilities and buildings in the Tourist regions ...	,,	100	45	15	15	15	10	100

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BUILDINGS AND SOCIAL SERVICES SECTOR
Chapter IV

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
44	8	Construction and enlargement of hotels for Summer Resorts 3 Nos. ...	Ministry of Culture and Guidance	240	—	30	30	20	20	100
	9	Public Utilities and Buildings in the Summer Resorts regions ...	,,	159	20	20	20	20	20	100
	10	Reserve fund for Summer Resorts and Tourism Projects ...	,,	750	150	150	150	150	150	750
	11	Settlement of accounts and completion of deficiencies in completed works ...	,,	* 95	95	—	—	—	—	95
		Total of Section 44 ...		6,283	500	685	640	500	425	2,750
45		CULTURE AND GUIDANCE PROJECTS:								
	1	Construction of Cultural and Guidance Centres ...	Ministry of Culture and Guidance	300	50	100	100	50	—	300
	2	Construction of the National Library Building in Baghdad ...	,,	400	50	150	150	50	—	400

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BUILDINGS AND SOCIAL SERVICES SECTOR
Chapter IV

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations 1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
45	3	Construction of Baghdad International Fair ...	Ministry of Culture and Guidance	5,000	34	—	—	—	—	34
	4	Construction of a Public Theatre for (1000) persons in Baghdad ...	,,	350	34	120	100	96	—	350
	5	Settlement of the Expropriation of Modern Art Exhibition ...	,,	116	116	—	—	—	—	116
	6	Other Cultural and Guidance Projects ...	,,	500	50	100	100	100	150	500
		Total of Section 45 ...		6,666	334	470	450	296	150	1,700
46		Antiquities Projects ..	Ministry of Culture and Guidance	650	170	120	120	120	120	650
47		SOCIAL SERVICES PROJECTS:								
	1	Disabled and Blind Houses 8 Nos. ...	Ministry of Labour and Social Affairs	200	35	40	40	40	40	200

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BUILDINGS AND SOCIAL SERVICES SECTOR
Chapter IV

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
47	2	Juvenile patronage houses and Reform Schools ...	Ministry of Labour and Social Affairs	280	28	45	55	70	70	268
	3	Social Services Buildings in Arbil ...	Local Administration	22	22	—	—	—	—	22
	4	The Trade Union Organization 1 No. ...	Ministry of Labour and Social Affairs	80	15	50	15	—	—	80
	5	Completed Rural Welfare Projects ...	Ministry of Municipal and Rural Affairs	30	—	15	15	—	—	30
		Total of Section 47 ...		612	100	150	125	110	115	600
48		Development of the Northern Area Projects ...	Ministry of Works and Housing and Ministry of State for Development of the North	1,500	850	650	—	—	—	1,500
49		Salaries and Wages of engineers, draftsmen, employees and other general technical expenses and suspended amounts ...	Ministry of Works and Housing	750	150	150	150	150	150	750
50		Loan for the purchase of Rawaf Building	Ministry of Culture and Guidance	450	450	—	—	—	—	450

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
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PLANNING AND FOLLOW-UP SYSTEMS SECTOR
Chapter V

(In Thousand Dinars)

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	Annual Allocations					Total Allocations in the Plan
					1965/66	1966/67	1967/68	1968/69	1969/70	
51	1	Planning Board's Systems and Follow-up Bureaus ...	Economic Planning Board and Executing Ministries	2,170	434	434	434	434	434	2,170
	2	Educational and Social Development Planning Board ...	Educational Planning Board	300	100	50	50	50	50	300
		Total of Section 51 ...			534	484	484	484	484	2,470

Ministry of Defence Productive Projects Sector
Chapter VI

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
52	1	Ministry of Defence Productive Projects	Ministry of Defence	35,000	10,000	6,250	6,250	6,250	6,250	35,000
		Total of Section 52 ...			10,000	6,250	6,250	6,250	6,250	35,000

International Liabilities Sector
Chapter VII

Table 1

Section	Article	Name of the Project	Executing Party	Total Cost	1965/66	1966/67	1967/68	1968/69	1969/70	Total Allocations in the Plan
53	1	Repayment of Foreign Loans ...	Ministry of Finance	18,150	1,120	1,000	1,715	4,427	9,888	18,150
	2	Iraqi Share in the Arabian Airways Organization,, Arabian Universal Oil Tankers Company, Arabian Marine Transport Company and other joint Arabian development projects	Ministry of Economics	6,850	1,000	2,000	3,850	—	—	6,850
		Total of Section 53 ...			2,120	3,000	5,565	4,427	9,888	25,000

THE PLANNING BOARD AND THE MINISTRY OF PLANNING
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Table 2

Serial	Kind of Revenue	Estimated Amount ID. 1000
1	Share of the Plan @ 50% of the Income Tax on Oil Companies	390,000
2	Cash Balance Brought forward on 31/3/1965	30,697
3	Sharing of Iraqi Ports Directorate in financing its productive projects within the Plan	8,000
4	Net profits of Government Establishments and Institutions	4,000
5	Other revenues	3,470
6	Foreign loans	95,000
7	Domestic loans	30,000
	Total	561,167*

* Reference is to be made to the Explanatory Memorandum concerning the general framework for the Plan in connection with the disagreement between total expenditures and revenues.

THE EXPLANATORY MEMORADUM OF THE GENERAL FRAMEWORK OF THE ECONOMIC PLAN FOR THE FIVE YEARS 1965-1969

THIS STATEMENT FIRST DISCUSSES THE GENERAL TARGETS OF THE PLAN AND SECONDLY ANALYSES THE GENERAL ECONOMIC FRAMEWORK

A. THE GENERAL TRAGETS OF THE PLAN :

The preamble to the constitution of the Iraqi Republic defined in its first and second chapters the general principles within which the Iraqi society ought to be developed. The first article affirmed that the Iraqi Republic is a democratic socialist state, deriving its democratic and socialist tenets from the Arabic traditions and the spirit of Islam. The second chapter explained the basic characteristics of the Iraqi society, affirming that social security and the family are the bases of society and the state guarantees equal opportunities for all Iraqis. The seventh article clarified the objectives of the Iraqi economic system, in achieving economic development and social equality which eliminate any kind of exploitation. The constitution elucidated the means of achieving these targets and affirmed that the Plan is the medium through which the state controls the national economy; that both public and private sectors are the basic instruments in the process of economic development, working jointly and in cooperation with each other to continue development by increasing production and raising the standard of living ensuring that capital is not used in a way contradictory to the public interest. The constitution stated that private property is secure; its social function will be regulated by Law, and that it could not be expropriated except for public interest and in exchange for an equitable compensation in accordance with the Law. The constitution guaranteed the right of inheritance in accordance with the jurisdiction of the Moslem Law and Faith. It considered employment to be the right of all Iraqis, as well as being the duty and honour for all able citizens.

The five-year Plan has to reflect these objectives and targets and outline the means ensuring their achievement. Despite the clarity of these objectives and their dimensions, definite policies with regard to their implementation would avoid any guesses and evade numerous misinterpretations. Hence the Plan should be an integrated programme designed to usher in desired goals of a socialist society. It should draw the lines among the public, private and mixed sectors, following Government's declaration that the July Socialist legislations are to be considered the final measures regarding nationalization in Iraq.

The main objective in developing the national economy is to realize a higher standard of living for all the people; to combat poverty, disease, ignorance and overcome their ill-effects. These targets cannot be realized except by overall economic and social planning, to create a society that is technologically advanced, where justice prevails and in which equal opportunities are provided. It is the responsibility of all the citizens to participate fully in the process of planning in all its stages, formulation, implementation and follow up. Planning is a cooperative process originating from the society which in turn is the eventual beneficiary.

Economic growth and achievement of welfare for all people, require radical changes in the economic and social structure to reshape the national economy from a state of "underdevelopment" "static" and "disequilibrium" to one which is "developing, dynamic and in-equilibrium." These changes need reorganization of the economic and social institutions and systems, to meet the demands of growth. Socialism requires the adoption of comprehensive planning, as a scientific means to exploit the economic resources and direct them effectively in order to realize its targets of "plenty and equity'. Comprehensive planning necessitates the existence of a central planning agency to replace or modify the free market pricing mechanism and coordinate the interrelated economic and social policies to implement the economic and social targets of the Plan.

The Plan aims to achieve the following comprehensive economic and social targets :

The Economic Targets :

1. To raise the standard of living by increasing the annual rate of economic growth in real terms by at least 8%.

2. To achieve balanced growth in economic structure by a diversification of production and thus reduce the large dependence of the national economy on oil revenues as a source of foreign exchange and income. It requires expansion of productive capacity and a higher contribution by the commodity sectors (agriculture and industry) to the national income, expansion of exports, other than oil, and the substitution of a high ratio of imports by domestic production. Hence the Plan gave priority to the two commodity sectors. It aimed to develop the agricultural sector by an annual rate of 7.5% and the industrial sector by 12%. Also it gave priority to social investments which would improve human productivity (health and education).

3. **Short Term Economic Stability** — The Plan combined the measures leading to a high rate of economic growth with those that ensure short term economic stability. It envisaged the maintenance of a high degree of equilibrium between a rise in national expenditure consistent with an increase in total production in order to avoid short term fluctuations that are detrimental to the devolpment process. The Plan also provides for the adoption of measures to check the growth of probable inflationary pressures which may lead to an abnormal rise in prices.

4. **Economic Integration and Economic Unity** — In the political field, the Plan aims at economic integration and the acceleration of the pace of growth of economic unity between Iraq and the Arab countries in general and between Iraq and the United Arab Republic in particular. The possibility of establishment of a Common Arab Market was taken into account in choosing the productive projects and their capacities in this Plan.

Social Targets — In an economy where a high percentage of people live at the subsistence level the demand for social equity and the right to be employed productively requires the provision of equal opportunities and the maintenance of a high standard of living by directing the increase in production to achieve two main social targets. They are :

1. Raising the level of employment and expanding the scope of productive work.

(a) The Plan envisages the attainment of full employment as its manpower goal and the expansion of the scope of productive employment at a rapidly increasing rate in order to overcome structural and disguised unemployment prevalent in Iraq. It is difficult to achieve the full employment target in the short run due to the existence of underdeveloped characteristics in the economy of Iraq, the large size of the labour force in relation to possible productive employment and the relative scarcity of capital. But the implementation of the Plan will greatly increase the scope of productive employment particularly in those productive sectors where it is proposed to spend a large part of the expenditure.

(b) The Plan provides for the expansion of the social services sector with the aim of improving the productive efficiency of individuals (health and education) which will lead to an increase in their productivity thus raising their income and social welfare.

(c) The Plan took into account the geographical distribution of investments in order to bridge the existing gaps in the per capita incomes of urban, rural and economically backward regions of Iraq.

2. **Realizing equity** — The benefits accruing from economic growth (production increase) should accrue largely to the low income groups. Hence the Plan should aim (the economic and social policy) at reducing gradually the concentration of income and wealth in the hands of a relatively small section of the population and combat monopolies of all kinds.

It should be emphasized that rapid economic growth is a pre-requisite for expending the basis of production to achieve the goals of social welfare and raise the standard of living of the people.

Proposed measures to implement the Plan — The Plan cannot achieve the above mentioned targets, especially under a Socialist regime, unless the Economic Planning Board is able to exercise its powers effectively in coordinating the economic and social policies. The Board should be granted the right in accordance with its law to participate in enacting the economic laws and enforcing measures having an affect on the economy. The adoption of comprehensive socialist planning necessitates the existence of a centralized planning agency to replace the pricing mechanism, amend it or rectify its defects in order to realize the following objectives:—

1. An optimum allocation of economic resources between savings and consumption.
2. An optimum distribution of savings between the various sectors.
3. A stable economy by reducing short term economic fluctuations.
4. An equitable distribution of the national income among the citizens to ensure social justice.

Coordination between the Economic and Social Policies — Economic planning requires the coordination and reconciliation of various economic policies. The success of planning depends to a great extent on coordinating these policies as well as on the Board's participation in their formulation. All economic and social decisions resulting from the economic and social policies have a considerable effect on the distribution and orientation of economic resources among the various sectors; on an equitable distribution of the national income among the citizens; on the general price level and finally on the process of economic and social development. Therefore it is necessary that the Board should participate in enacting economic laws, commenting on the various measures adopted in the economic field, cooperating in the formulation of various budgets, drawing up the civil service cadre and in supervising expenditure.

Fiscal Policy — The Fiscal policy aims to achieve the following:—

(a) Participate in the economic development process and direct a high proportion of economic resources for capital formation. The Plan limited the maximum annual increase in Government expenditures to 8% during the years of the Plan. This rate is equivalent to the desired annual rate of economic growth of 8%. Also the Plan emphasized the need to enact laws which would accelerate the pace of economic development and devise production incentives.

(b) Reduce economic fluctuations by controlling the spheres of expenditure, attempting to fill in the deflationary gaps and reducing the inflationary gaps.

(c) Reduce the unequal distribution of the national income and expand public services, particularly those of a social welfare character (principle of equitable distribution).

Fiscal decisions governing public expenditures, public revenues and debt policy have an effect on the level of public savings and investments. Moreover, they influence the level of economic activity and the distribution of national income. In order to realize the targets of the plan, there should be coordination between fiscal decisions and the Plan targets. To supervise public expenditures and revenues it is essential either to rationalise the various budgets of official and semi-official departments, establishments and organisations or submit them simultaneously for approval, in order to assess the activity of the public sector.

The ordinary budget makes provison for public utilities. The ordinary budgets of public utilities provides for current expenditure while the Plan provides for capital formation (schools, hospitals, etc.) in them. Hence there should be coordination and balance between the two budgets. It should be noted on the other hand that repair and maintenance should be provided for, lest the national stock of capital is wasted away by depreciation and obsolescence.

The Monetary and Credit Policies — The monetary policy aims at regulating the inflow of money at a level compatible with full employment, without causing inflationary or deflationary effects. Thus it is an effective means of realizing an accelerated rate of economic growth with stability.

Monetary Policy — It affects :

1. The level of national savings and the distribution of economic resources.
2. The channelling of saving, whether for financing capital formation or minimizing the effect of the short-term business cycle, credit is considered as a source of finance for capital formation to increase production and accelerate the exchange of goods and services. Therefore it should be clear how monetary and credit policies affect the rate of economic growth.

   One of the main objectives of the plan is to remedy short-term fluctuations in economic activity.

   Monetary policy is considered as one of the important means of regulating the expansion of credit by increasing expenditures in periods of deflation and vice versa reducing them in times of inflation.

   It is necessary to coordinate the aims of the Plan and the monetary policy because the latter finances the Plan by means of short-term credit.

   Therefore the banking system should be flexible to meet these requirements.

   Moreover one of the main functions of the banking system is providing the newly established factories their required operating capital.

   The amount of money and credit should expand because of the annual increase of national income. It is an established fact that there is a relationship between an increase in national income and the supply of money. This ratio is at present 3.6%.

Commercial Policy — The economic plan cannot achieve its objectives unless the growth process is accompanied by stability in the general level of prices, and in the prices of producers goods in particular. Any appreciable rise in the general level of prices will reduce the level of real investment, raise its cost and consequently reduce the rate of economic growth. Furthermore any general rise in prices and especially if those of essential goods, is considered harmful to the fixed income groups and contradictory to the economic and social objectives of the Plan. The Plan estimated both the income elasticity of demand for several important commodities and the production targets of the various sectors to ensure coordination between supply and demand.

Decisions concerning commercial policy have a considerable effect on supply and demand. Therefore it is imperative to coordinate these decisions and the aims of the Plan or more precisely between the commercial policy and the economic policy, otherwise the general price level will be subject to severe fluctuations which are harmful to the process of growth and the economic stability. With regard to the implementation of these objectives of the Plan the participation of the Economic Planning Board is a vital matter for it has to draw up the commercial policy, trade agreements, the import programme ensuring sufficient stocks of commodities and stabilizing prices and reducing the deficit in the balance of trade and payments.

Social Welfare and Wages Policies — The wages whether in money or in kind, and other remunerations, have an effect on the level of savings, the motives for investment and consequently on the rate and the level of production, employment and the general level of prices. A social welfare development policy which is not geared to (not corresponding to) the target of increasing production, will lead to an increase in consumption in the short run at the expense of investment, production, employment and would tend to raise the general level of prices. All these factors will affect adversely the low income groups as well as the fixed income groups. Therefore it is necessary to stabilize the wage levels (at a moderately minimum rate) to relatively stable production costs and prices.

Those concerned with drawing up the social welfare policy should reconcile between social and economic development. An increase in national income and in individual productivity are two main prerequisites for realizing the principle of social welfare, and this calls for a coordination of social welfare decisions and the targets of the Plan.

B. THE GENERAL ECONOMIC FRAMEWORK :

(1) The Plan is designed to realize two main economic targets :

First — To raise appreciably both production and the standard of living by increasing the rate of economic growth and ensuring a reasonable level of economic stability.

Second — To restore equilibrium to the Iraqi economy by diversifying production and reducing the dependence of the country on oil revenues as a source of foreign exchange. It is necessary to realize an appreciable increase in production in the commodity sectors (agriculture and industry) and increase exports of goods other than oil, and the substitution of imports by a higher rate of domestic production. Moreover the Plan is intended to realize the social and political objectives discussed in the memorandum on the general targets of the Plan.

(2) To set a realistic target for the Plan, two important factors are taken into consideration :

First — Capacity of the national economy to develop as indicated by the experience in previous years.

Second — New efforts to be exerted for improving that capacity.

(3) Capacity of the Iraqi economy to develop is shown by the national income accounts which are available for the years 1953—1963, as shown in Tables 1—3. Table 1 shows the national income accounts at constant prices. Table 2 shows the rate of growth of the main sectors and their compound rates of growth. Table 3 shows figures and indicators of growth for the following :

(a) Gross national product excluding agriculture.

(b) Gross national product excluding crude oil.

(c) Gross national product excluding agriculture and crude oil.

(d) Main commodity sectors.

An analysis of these tabls reveals the following :

1. The compound rate of growth of the national product, was 6.4%.
2. The compound rate of growth, of the main sectors : agriculture, industry, oil, construction, water and electricity as a group was 6.1%.
3. The rate of growth of the agricultural sector was zero due to various factors. When the contribution of the agricultural sector is excluded from the Gross National Product the rate of growth of the latter was 8.3%.

TABLE 1

GROSS DOMESTIC PRODUCT, GROSS NATIONL PRODUCT AND NET NATIONAL PRODUCT CONSTANT (1956) FACTOR COST PRICES, 1953 — 1963

(In million dinars)

Sector	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
culture-Forests-Fishing :											
Field crops	30.81	44,36	21.03	28.45	42.46	28.50	19.69	22.07	28.01	34.89	16.83
Vegetables	15.08	20,56	8.18	14.05	18.68	9.96	4.22	8.89	13.98	15.79	17.67
Fruits and Dates	7.73	9.65	7.38	6.73	9.17	8.16	4.05	5.38	7.89	9.50	6.03
Livestock	31.25	38.37	30.91	37.59	44.95	41.22	37.12	38.63	45.82	52.56	38.42
Forestry	0.96	1.02	1.06	1.12	1,18	1.27	1.29	1.19	1.21	0.93	1.00
Fisheries	0.76	0.84	0.87	1.29	1,32	1.36	1.39	1.42	1.46	1.49	1.54
al — Agriculture, Forestry and Fisheries	86,59	114.80	69.43	89.23	117.76	90.47	67.76	77.58	98.37	115.16	81.49
ing and Quarrying :											
Crude oil extraction	128.91	149.53	161,16	152.45	107.34	175.47	203.90	235.50	244.10	246.08	280.93
Other mining and quarrying	0.89	0.93	1.56	1,64	1.74	1.85	1.81	1.68	2.15	1.86	1.84
al Mining and Quarrying	129.80	150.46	162.72	154.09	109,08	177.32	205,71	237.18	246.25	247.94	282.77
nufacturing :											
Oil Refining	1.91	2.46	3.45	4,19	4.99	6.00	6.72	8.08	9.60	9.89	10.15
Other Manufacturing	18.08	20.26	23.73	27.88	28.91	30.54	36.83	45.06	48.19	52.98	51,78
al Manufacturing	19.99	22.72	27.18	32.07	33.90	36.54	43.55	53.14	57.79	62.87	61.93
struction	13.63	18.87	23.09	24.83	27.68	27.41	24.41	19.63	20.34	16.63	17.06
ter and Electricity	1.33	1.43	2.13	2.53	2.99	3.18	3.45	4.12	5.43	6.44	6.64
nsport, Communications and Storage	22.46	23.05	24.92	27.55	28.48	28.60	30.91	36.11	41.40	43.19	42.06

TABLE I (Cont'd)

Sector	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
olesale and Retail Trade … … … … … …	19.16	23.73	22,60	26.90	29.02	26.69	24.59	30.08	36,00	38.15	33,43
king Insurance and Real Estate … … … …	3.87	5.15	5.89	6.28	7.84	8.82	8.59	9,20	9.33	9.73	9,61
ership of Dwellings … … … … … … …	11.58	11.85	12.15	12.47	12.75	13.06	13.44	13.80	14,19	14.56	14,15
lic Administration and Defence … … … …	22.68	23.93	27.68	28.12	29.70	34.48	40.69	40.03	47,75	55,45	61,60
ices … … … … … … … … … …	20.58	22.12	23.31	24.83	25.57	27.45	30.87	35.03	41,99	43.56	45,15
ss Domestic Product at Factor Cost … … …	351.67	418.11	401.10	428.90	424.77	474.02	493.97	555.90	618.84	653.68	656.69
s : Income of production factors transferred abroad	66.80	71.94	75.01	65.49	44.66	78.56	93.26	109.80	112,40	112.44	128,89
ss national product at Factor Cost … … … …	284.87	346.17	326.09	363.41	380.11	395.46	400.71	446,10	506,44	541.24	527,80
s : Provisions for the Consumption of Fixed Capital	22.05	23.54	27.12	28.65	31.71	32.29	32.11	33,42	37,81	38.11	38,34
Nation Product at factor cost (National Income)	262.82	322.63	298,97	334.76	348,40	363.17	368.60	412.68	468,63	503.13	489,46

TABLE 2
GROWTH OF NATIONAL PRODUCT AT CONSTANT PRICES
1956 — 100

Sector	1953	1954	1955	1056	1957	1958	1959	1960	1961	1962	1963	Compound Growth Rate %
re, Forests, Fisheries	100	133	80	103	136	104	78	90	114	133	94	0.6
l Extraction	100	116	125	118	83	136	158	183	189	191	218	8.4
ther than oil	100	104	175	184	195	208	203	189	242	209	207	7.5
ing	100	129	181	219	261	314	352	423	503	518	531	15.4
uring Industries other than Oil	100	112	131	154	160	169	204	249	267	293	286	11.0
Manufacturing Industries	100	114	136	160	170	183	218	266	289	315	310	11.5
tion	100	138	169	182	203	201	179	144	149	122	125	2.4
d Electricity	100	108	160	190	225	239	259	310	408	484	499	16.7
t, Communications and Storage ...	100	103	111	123	127	127	138	161	184	192	187	6.0
e and Retail Trade	100	124	118	140	151	139	128	157	188	199	174	5.7
nsurance and Commercial Business ...	100	133	152	162	203	228	222	238	241	251	248	11.3
p of Dwellings	100	102	105	108	110	113	116	119	123	126	129	2.5
dministration and Defence	100	106	122	124	131	152	179	176	211	244	272	10.5
... ...	100	107	113	121	124	133	150	170	204	212	219	6.5
product at cost of production		119	114	122	121	135	140	158	176	186	187	8.3
tional product at cost of production ...	100	122	114	128	133	139	141	157	178	190	185	6.4
ational product at factor cost onal Income)	100	123	114	127	133	138	140	157	178	191	186	6.4

TABLE 3

CONTRIBUTION OF SOME SECTORS TO THE GROSS NATIONAL PPRODUCT AT CONSTANT PRICES 1956

(In million dinars)

Sector	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
ional product other than Agriculture	198	231	257	274	262	305	333	369	408	426	446
ional product other than Oil	223	269	240	276	317	299	290	320	375	408	376
ional product other than oil and Agriculture ...	136	154	171	187	200	208	222	243	276	292	214
mmodity Sectors	251	308	285	303	291	335	345	292	428	449	450

INDEX NUMBER OF THE GROWTH OF CERTAIN SECTORS OF THE GROSS NATIONAL PRODUCT AT CONSTANT PRICES 1956

(In million dinars)

Sector	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
tional product other than Agriculture	100	117	129	138	132	154	168	186	206	215	225
tional product other than Oil	100	121	108	124	143	134	130	144	168	183	169
tional product other than Oil and Agriculture ...	100	113	125	137	147	153	163	178	203	215	216
ommodity Sectors	100	123	113	120	116	133	137	156	170	179	179

4. If the rate of growth of the oil sector which is subject to external factors, to local economic decisions, is excluded from the rate of growth of gross national product, the rate of growth of the latter will be 5.5%.

5. If both oil and the agricultural sectors are excluded, the rate of growth of the national product will be 8.2%.

(4) From the above mentioned observations — Two main conclusions could be deducted :

1. The rate of growth of the national income is almost equivalent to that of the main commodity sectors, which indicates that the other sectors, complementing the production process respond to the growth of the main commodity sectors, i.e. the growth of the sectors complementing to the production process (transport, trade, etc.) depends and is determined by the rate of growth of commodity sectors.

2. The underdevelopment of agriculture led to a reduction in the rate of growth of the national product from 8.3% to 6.4%. If the oil sector is excluded from the gross national product the rate of growth of the latter will fall to 5.5%. It is evident that if necessary measures are taken to develop the agricultural production and to maintain previous rates of growth in other sectors, it will be possible to realize a rate of growth for the national product of not less than 6.1% and may even reach 8.3%.

(5) The aim of the Plan is to realize an increase in the national income, in five years, equivalent to the achievement of an annual compound rate of growth of 8%; taking into account, the saving and investment capacity of the Iraqi economy, its available resources and the stage of development. However, to realize this target, it is not necessary for the national income to grow evenly at the rate of 8% annually; it is not possible to achieve such regularity, as the increase of national income may be 9% in one year and fall in the next to 7%. The aim is to have an average increase over the five years equivalent to what a regular annual growth rate of 8% would achieve.

(6) The main economic prerequisite to ensure an 8% rate of growth in national product is the devolpment of principal commodity sectors, as a group, and at the same rate of growth. Other sectors complementing to the production process, as transport, commerce, services, etc., are bound to respond completely to the activity of the principal commodity sectors namely : oil, agriculture, industry and construction.

(7) The growth of the oil sector depends on a number of factors beyond the initiative and control of the Planning Board and is not the outcome of Iraqi investments. The expected growth in oil production in the years 1965/1969 is 6% making it necessary for other commodity sectors, as a group to grow at a rate of 9.4% at least, thus making it possible the realization of an annual rate of growth of Gross National Product of 8%.

(8) Commodity sectors as a group, may realize a rate of growth of 9.4%, provided the following conditions are satisfied :

1. The industrial sector grows approximately at the previous rate of growth, namely 12% annually.

2. The construction sector grows at a rate of 8% annually, provided the ratio of investments to total national product remains constant at least; that is, it grows at the same rate as the total and the ratio of investments in the construction sector to total investments remains almost unchanged. It is noteworthy that nothing stops investments and then construction, from growing at the same rate of growth of the national product, especially if care is taken to implement the projects in accordance with the planned

4. The agricultural sector grows at a rate of 7.5% which if added to the rates of growth of the above mentioned commodity sectors will bring their total to 8%.

(9) The following assumptions may be set for the future growth of the other non-commodity sectors :

1. Public administration and defence will grow at the same overall rate of growth of Gross National Product, which means an expected expansion in Government current expenditures (other than education and health), at the same rate of growth of national product as a whole i.e. at an annual rate of 8%. We reiterate here, that it is not essential that this rate is maintained every year of the Plan regularly but the average rate expansion in those years may work out to be 8%. For instance in the ordinary budget allocations for the fiscal year 1965—1966, the actual increase over the previous year exceeded the planned rate of growth of 8% due to political and abnormal international conditions confronting the Arab region. This necessitates the reduction of future rate of increase to less than 8% to ensure the realization of a rate of increase in Government consumption not exceeding 8% during the Plan period.

2. Banking and insurance grows at the same previous rate of growth of 10%.

3. Transport, communications, trade, services and ownership of dwellings grow in accordance with their previous comparative elasticity to the overall rate of growth (in other words, the percentage ratio of the rate of growth of the sector to the overall rate of growth) as shown in Table IV.

(10) The realization of the targets of production within the sectors depends upon a number of factors, chief among them being the strengthening of the administrative organization, executing agencies and progress control, maintenance of the level of saving and the expansion of saving capacity to an annual rate of 2%, to finance expansion in investments and mobilization of savings for investment purposes in various sectors and the coordination of the economic and social welfare policies within the framework of the Plan.

TABLE 4

THE RELATIVE ELASTICITY FOR THE GROWTH OF SOME NATIONAL PRODUCT SECTORS (COMPLEMENT TO THE PRODUCTIVE PROCESS) TO THE COMPREHENSIVE GROWTH RATE

Sector	Rate of Sectors Growth Accompanying a Comprehensive Rate 6.5% (1953—1963)	Proportionate Elasticity	Rate of Sectors Growth Accompanying a Comprehensive Rate 8%
Electricity	16.7	2.56	20.0
Transport and Communications	6.0	0.92	7.4
Trade	5.7	0.88	7.0
Services (including Health and Education)	8.3	1.27	10.0
Ownership of Dwellings	2.5	0.40	3.5

TABLE 5

EXPANSION OF THE NATIONAL PRODUCT IN FIVE YEARS (IN MILLION DINARS)

Sector	Value Added 1964	Annual Rate of Growth	Increase of the value added during Five Years	value added 1969	Proportion of sector's sharing to the total.	
					1964	1969
odity Sectors :						
e Oil and Mining	145	6.0%	51	196	24.5	22.5
culture	110	7.5%	48	158	18.6	18.2
stry	70	12.0%	50	120	11.9	13.8
ding and Construction	30	8.0%	15	45	5.1	5.2
ricity	6	20.0%	9	15	1.0	1.7
Total Commodity Sectors	361	8.1%	173	534	61.1	61.4
Sectors :						
sport and Communications	48	7.4%	20	68	8.1	7.8
e	38	7.0%	15	53	6.4	6.1
and Insurance, etc.	12	10.0%	7	19	2.0	2.2
rship of Dwellings	12	3.5%	2	14	2.0	1.6
ces	50	10.0%	30	80	8.5	9.2
c Administration and Defence	70	8.0%	32	102	11.9	11.7
otal Non-Commodity sectors	230	7.9%	106	336	38.9	38.6
rand Total	591	8.0%	279	870	100.0	100.0

(12) Development of the standard of living and the average per capita income :

The immediate effect of the growth of national product will be a rise in the standard of living, for growth is nothing but an increase in the quantity of commodities and services available in the economy for consumption and investment purposes. It is essential that the national product grows at a higher rate than population growth to effect a rise in the average per capita income and not merely the total income, in order to realize an appreciable rise in the standard of living. The annual rate of growth of national income by 8% greatly exceeds the rate of population growth, which in Iraq is about 2% annually. Therefore the average per capita income will grow at 6% (8% — 2%) as shown in Table 6.

TABLE 6

DEVELOPMENT OF AVERAGE PER CAPITA INCOME

Year	National Product (in mill.) dinars.	Growth Rate of National Product	No. of Population (in mill.)	Growth Rate of Population	Average per capita of National Product ID. millions
1964	591	8%	7.23	2%	18.8
1965	639	8%	7.38	2%	86.8
1966	691	8%	7.52	2%	91.8
1967	746	8%	7.67	2%	97.2
1968	806	8%	7.83	2%	102.9
1969	870	8%	7.98	2%	108.9

(13) Development of Private Consumption :

Although the total national product is the determining factor of the standard of living, yet its distribution between investment and consumption affects the actual standard of material welfare of the individual. The increase in the rate of investment, at the expense of consumption, generally means postponement of immediate benefits for an increase in future income. Conversely the reduction in the rate of investment, to a great extent may raise the standard of present welfare, but at the expense of retarding economic growth and reducing the standard of future welfare.

Most recent computations of gross national expenditure available are those for 1962, which are as follows:—

	Thousand Dinars	Percentage
The national product factor cost	564.550	77%
Plus Imports	128,762	18%
Plus Indirect taxes, free of subsidies	35,330	5%
Equal National expenditure at market prices	728,642	100%
Equal : Exports net of income transferred abroad	149,191	20%
Plus Capital formation and change of inventories	92,892	13%
Plus Government Consumption	128.401	18%

It will be observed from the above mentioned relationships that in 1962 the value of private consumption was about ID.358 millions and the total population was 6,952 thousand, thus giving an average per capita consumption of approximately 52 dinars.

The anticipated increase in the average per capita consumption during plan period will depend to a great extent upon the growth of capital formation relative to national product on the one hand and the rate of increase of Government expenditures on the other. We believe that the rate of growth of capital formation is expected to be higher than that of national product. Moreover due to acceleration in the execution of projects it is anticipated that it will be possible to limit the rate of growth of Government consumption to the same rate of growth of national product.

For these reasons and provided the investment projects included in the plan are executed without delay, the increase in per capita consumption will be over 5.5%. Assuming a rate of population growth of 2%, the average per capita consumption will be 3.5% which means an average per capita income of about 62 dinars in 1969.

(14) Balancing between consumption and investment (solution of the difficult equation) :

The design of optimum equilibrium between consumption and investment forms an equation difficult to solve, and raises a number of difficulties in underdeveloped countries.

The low standard of living of masses of people and their inclination to increase the rate of consumption at the expense of saving, will have a deflationary effect on investment followed by a reduction in the rate of growth.

The economic plan attempts to solve, the difficult equation by bringing about a balance between an increase in consumption and in investment and a reconciliation between a rise in the standard of livig without reducing the level of investment and an increase in the rate of investment by 2% annually in accordance with the following principles:—

(a) **Neither reduce consumption nor maintain it at its present level :** Reducing consumption to a lower level than that of the base year or maintaining it during the plan period is inconsistent with the principle of social welfare and the necessity of effecting a rise in the standard of living of low income groups. It is necessary to allocate a part of the increase in income for the improvement of their living conditions and increase their consumption of goods and services.

(b) Increase the rate of private consumption at an annual rate of 5.5%, i.e. at a lower rate than the increase in national income. Thus private consumption increases and the standard of living rises, but at a lower rate than that of capital formation, leading to an expansion in the saving and investment capacity of the national economy during the plan period.

(c) Increase the annual rate of Government consumption by 8% i.e. Government consumption grows at the same rate as the growth in national income. Such an increase is necessary in view of the high domestic elasticity of demand for public services, especially health, and education. It is observed that other things being equal, the increase of national income will not reduce investment, or the anticipated economic resources directed to capital formation.

The following Table 7 shows the expected developments of private consumption in the years 1964, and 1969 :

TABLE 7

A PATTERN OF THE DEVELOPMENT OF THE NATIONAL EXPENDITURE ELEMENTS BETWEEN 1964—1969

Year	National Product at Market Price		Private Consumption		Government Consumption		Capital Formation and Change (of inventories)		Exports/ Imports	
1964	628	100%	377	60%	132	21%	100	16%	19	3%
1969	924	100%	490	53%	194	21%	208	22.5%	32	3%

(15) Requirements for the development of National Product :

Development of national product by the amounts shown in the preceding paragraph requires the operation of different factors of production, namely, capital, labour, technical experience and efficient administration in the implementation and operation of the productive projects. Apart from capital and unskilled human labour, it is difficult to measure quantitatively the factors of production required for realizing a certain standard of development. Moreover it is difficult to express them in aggregate figures. Human labour, as believed, will be available to any extent required for realizing the expansion of national product to the projected level. With regard to capital requirements (investment), we shall give an estimate in the following paragraph, with the emphasis that in giving such capital requirements only without the other factors of production, by no means indicate that we undermine the importance of the other factors. It means that we are obliged to follow that course due to the non-feasibility of expressing them in aggregate quantitative terms. But from the knowledge of the capital coefficient indirectly it is possible to gauge the productivity of other factors of production.

(16) Estimate of total investment for the Five Years :

The desired increase in the value added in Five Years, as shown in Table 5 amounts to ID.279 millions. It is noteworthy to mention that an important part of this increase, namely that pertaining to the oil sector, does not depend on Iraqi national saving, but rather on the investment policy of the companies themselves; as such it is expedient to concentrate on investment requirements for increasing the value added in all other sectors other than oil.

The increase in the value added (excluding oil) in five years amounts to ID.228 millions and the investment required for realizing it, depends upon the capital coefficient in the Iraqi production sectors, other than oil. The capital coefficient in the last ten years was (4 : 1). It should be emphasized that this coefficient was not the same for the various sectors. Nevertheless it is still possible to assume that this coefficient will decline during the following five years as a result of anticipated rise in labour productivity, increased efficiency of administration, development of productive technique in general and utilisation of the potential energies resulting from the construction of high capital cost irrigation projects in previous years, which could be utilized by a relatively smaller investment expenditure than before. In view of that we do not think it to be an exaggeration to assume a marginal capital coefficient for the following five years of (3.6 :1) which entails the absorption of the necessary investment value, for realizing an increase in the value added amounting to ID.228 millions as follows:—

228 × 3.6 = 821 million dinars.

Table 8 shows a simplified pattern for the distribution of this amount over the years of the Plan, assuming the realization of a regular growth of national product and at a fixed proportion of investment to income amounting to 22%.

Table 8

A PATTERN OF A UNIFORM GROWTH OF THE IRAQI NATIONAL PRODUCT AT A COMPOUNDED RATE OF 8%

(In Million Dinars)

Year	National Product	Rate of Growth	Amount of increase in National Product	Value added in Oil Sector	Value added to the various sectors (other than Oil)	Increase in value added to Oil	Increase in the National Income Resulting from value added to other than Oil	Capital Co-efficient	The Amount of Investment required for Growth of value added other than Oil	Rate of Investment from National Product
1964	592	8 %	—	145	447	—	—	3.6	—	—
1965	639	8 %	47	156	483	11	36	3.6	130	20 %
1966	691	8 %	51	166	525	10	42	3.6	151	22 %
1967	746	8 %	55	176	570	10	45	3.6	162	22 %
1968	806	8 %	59	186	620	10	50	3.6	180	22 %
1969	870	8 %	64	196	674	10	55	3.6	198	23 %
						51	228		821	

NOTE: The pattern represents a regular growth rate of the gross national income, intended to clarify the relation between investment and the national income increase, with the knowledge that such regularity in growth cannot be attained in actual practice but only approximately. The distribution of investments over the years of the Plan will not necessarily take the same form shown in the table.

(17) Division of aggregate investments between private (other than oil companies) and Government sectors :

Both private and Government sectors participated in total investments in previous years by almost equal shares. However it is necessary to presume that the share of Government sector will exceed its previous ratio of 50% due to the implementation of the socialistic laws and the expansion in the public sector that will follow. Presuming that the share of Government sector reaches 78% approximately, the distribution of aggregate investments between private and Government sectors will be as follows :

	Million Dinars	%
Government sector investment	640	78
Private sector investment	181	22
	821	100

(18) Two types of Investment Financing :

The successful completion of investment projects requires that the factors of production comprising land labour, and capital equipment and machinery be directed towards productive capital formation. These factors can be financed in two broad ways : domestic finance for employing productively the factors of production found within the country and which have to be paid for in national currency; and external finance for the purchase of foreign goods and services and inputs, which need to be paid for in foreign currencies.

Table 9 shows how the aggregate investments are distributed as to kind of finance :

TABLE 9

PROPORTION AND AMOUNT OF FOREIGN CURRENCY TO VARIOUS SECTIONS

Section	Sector	Total Investments in million Dinars	Ratio of Foreign Currency to Total Investments	Total Foreign Currency
1	Agriculture	157	30%	47
2	Industry	159	70%	111
3	Electricity	45	80%	36
4	Transport and Communications	119	40%	48
5	Buildings and Housing	274	25%	69
6	Trade and Services	4	45%	2
7	International Liabilities	25	100%	25
8	Ministry of Defence Productive Projects	35	30%	11
		818		345

(19) Development of the scope of work :

The Plan adopted among its social objectives an attempt to achieve a state of full employment in Iraq for all those able and willing to work.

The Plan aimed at as a short-run objective the realization of the biggest possible amount of employment during the five years, in view of the underdeveloped state of the Iraqi economic structure (concentration of the labour force in the agricultural sector, characterized by prevailing disguised unemployment, slow industrial progress and the inability of the educational and training systems to keep pace with the prerequisites of economic development) and the relative small size of real capital to that of the labour force, which evidently makes it difficult to enlarge the size of capital to a level that its utilization will lead to the absorption of all the labour force in Iraq during the Plan years.

The implementation of the Plan investments requires the assembling of all factors of production and steering them towards capital formation, which will be followed by an increase in scopes of productive work whether in the implementation or operation of its projects. It is noteworthy that the principal economic target of the Plan is an optimum increase in the volume of production compatible with the savings and investment capacity of the national economy, for acceleration of the capital formation process. But the realization of such a target may, to a certain extent, be contradictory with optimum expansion of employment. The question may require the exercise of discretion in choosing either objective when evaluating the attendent results of each.

The optimum increase of the volume of production necessitates enlarging the size of investments to its maximum capacity and the adoption of a highly developed technology, characterized by labour saving and utilizing relatively enormous amounts of capital (capital intensive), while the expansion of employment to the maximum extent requires the application of intermediate technology that employs relatively small amounts of capital and relatively more labour.

Most developed countries resort to highly developed technology in view of their immense national savings and relatively small labour force, while most underdeveloped countries confront two main problems, namely :

(a) Scarcity of saving due to low national incomes.

(b) Abundance of manpower in relation to the size of available capital :

Application of advanced productive technology in underdeveloped countries, despite the practical difficulties in its application (resulting from relative scarcity of savings), does not lead to maximum increase in the size of employment and eventually does not help greatly in reducing the problem of unemployment, nevertheless underdeveloped countries attempt to imitate the industrial countries in resorting to the application of labour saving and capital intensive technology, which lead to deflationary impacts on the development of the volume of employment.

The economic plan, despite its recognition of above mentioned facts, still adopts to a great extent, the principle of increasing production to its maximum extent and considers it the main target. A big number of projects and industries comprised, are of the type depending upon advanced technilogoy, which needs relatively large amounts of capital (capital intensive,) and in which no regard has been given to plan production in a way that saves in the use of capital and expand employment. The underlying reason is due to a number of factors, chief among which being the narrow option in choosing the projects comprised by the Plan, as a great number of them their execution had commenced prior to the elaboration of the Plan, or their studies completed or their characteristics are as such that require the application of the advanced technology; otherwise the Plan will turn to the attempt of applying the intermediate productive technology in the cases where that is feasible. All new projects will be studied on this basis, for finding out the possibility of reducing their capital costs and increasing the proportion of labour employed.

Labour Requirements for implementation of the Plan.

The studies relating to the estimate of the Plan requirements of manpower on implementation, revealed that its application will lead to an increase in demand for labour in all sectors amounting to (261, 483) jobs during the following five years, distributed between the various sectors as per the following table :

EXPECTED INCREASE IN THE VOLUME OF EMPLOYMENT DURING THE PLAN YEARS

Serial No.	Economic Activity	Number of Labourers required for construction yearly under the Five Years Plan	Number of Operatives and Beneficiaries from Agricultural land.	Total
1	Agriculture ...	46,000	98,465	144,465
2	Industry ...	18,840	21,952	40,792
3	Transport and Communications ...	15,942	37,082	53,024
4	Buildings and Housing ...	42,029	—	42,029
5	Public Services and Administration (Education and Health)	—	24,000	24,000
6	Other Services and Indirect Employment	—	17,173	17,173
	... TOTAL ...	122,811	198,672	321,483
	Present Employment in Construction ...	60,000	—	60,000
	Whole scope for work ...	62,811	198,672	261,483

(20) Division of total investments between the principal Sectors :

A. Agriculture :

The aimed growth in the value added to the Agricultural Sector shown in Table 5, is as follows :—

Value added in the base year	Million Dinars the increase in the value added in five years	Total value added in the target year
110	48	158

No doubt part of the increase in the value added, will be the outcome of improvements in soil fertility, particularly through completion and expansion of irrigation and drainage net-works, which projects entail high capital costs. Yet another portion of growth in the value of agricultural production will be the outcome of a change in the agricultural fashion from low to high price crops; the peasant learning how to take care of his land and crops and acquainting him with scientific methods leading to the increase of his productivity. This thing does not need capital as much as it needs restoration of order and stability to the rural areas under the shelter of Agrarian Reform and the elapse of a sufficient period of good administration and direction of government systems concerned with agricultural questions. This increase in the value added resulting from agrarian reform and improvemest of peasants productivity by aid of the aforesaid organizing factors, will be at a rate approximating 3%; while the remaining portion of the increase reverts to the execution of the investment projects, which participation amounts to ID.31.5 millions. Assuming that capital coefficient for these projects is 5, the necessary capital for investment in agriculture will be about ID.157 mililons. As such the average capital coefficient for the agricultural sector, as a whole, will be 3.4, taking into consideration the aforesaid factors which affect the increase of productivity. Part of the allocated increase in the value added during the following five years, is due to the continuity and steadiness of the bases of agrarian reform processes and the ipmrovement of peasants productivity by the preceding organizing factors. It is believed that these factors will participate to an extent of ID.16.5 millions, out of the total value added in the agricultural system during the years of the Plan.

It is expected that the private sector will participate in the agricultural investments by about ID.12 millions, which leads to the assumption that the government central sector (the economic plan) will participate by ID.142 millions and the Economic Organization by ID.3 millions in the said total.

B. Industry — Electricity Gas and Water :

The aimed growth in the values added of the gas, electricity and water industrial sectors as shown in Table 5 may be detailed as follows:—

	Base Year	Increase in the value added in five years (Million Dinars)	Total of value added in the target year.
Manufacturing Industry (other than Oil and Gas)	59	43	102
Oil and Gas products.	11	7	18
Electricity and Water.	6	9	15
	76	59	135

The expansion shown, will come firstly from investments in the public sector totalling to ID.210 millions, of which ID.168 millions from the Economic Plan account (the Government Central Investment) and ID.42

millions from the capital investments of oil establishments, the Economic Organization, the National Electricity Service and the Water Distribution Board and secondly from investments in the private sector totalling ID.5 millions in the five years. Thus the total investments in these sectors are about ID.215 millions, and the capital coefficient therein will be 3.6 which is a moderate figure in contrast with its rate in other countries.

C. Transport and Communications :

The projected growth in the added value of the transport and communications sector as shown in Table 5 is as follows :—

The Value Added	The increase in the value added in five years (In Million Dinars)	Total of value added in target year.
48	20	68

This expansion will be the outcome of investments totalling ID.119 millions, of which ID.91 millions from the economic plan account, ID.8 millions on the account of capital expenditures of Ports, Railways and Passenger Transport Services and the balance of ID.20 millions represents the private sector's investments, considering that the average marginal capital coefficient amounts to 6 which is a moderate figure in contrast with that in other countries.

D. Buildings, Housing and Social Services :

Investments in building and housing do not have a direct impact on the value added in a certain sector of the national product sectors, but have a varying and indirect one on all productive sectors. The bases on which the estimate of investments in this scope been built, are in giving this kind of investment secondary priority in relation to commodity sectors while giving first priority to the buildings necessary for educational and health projects in relation to other projects. Thus the necessary amounts for investment in this sector were estimated at a total of ID.274.530 millions, of which ID. 108.679 millions from the Economic Plan account, ID.24.833 millions from the account of capital expenditures of municipalities and Amanat al-Assimah (Baghdad Municipal Corporation) and ID.141 millions from the private sector. The estimated value of investments in the private sector was based on the value of private buildings in last years which ranged between ID.25—30 millions annually.

E. Commerce, Financial Institutions and Services :

Commerce comprises the activities of wholesale and retail trade in general, the activities of financial institutions as banks, insurance companies, real estate institutions and as well health services, education, personal and welfare services & etc. The required investments for evaluating the value added which is the outcome of these activities is of three kinds:—

(a) Fixed assets, (estates) as buildings, shops and stores etc. This kind of investment had been included under the aforesaid buildings and housing sector's investments.

(b) Fixed assets, other than buildings, as equipments, technical and accounting machines & etc.

(c) Commodity inventories. The value of investments in equipments and inventories had been estimated at ID.4 millions during the years of the Plan, which the private sector participates by ID.3 millions while the Economic Organization and Government services will take care of the remaining part on account of their capital expenditures.

Table 10 (A) shows the approved investment allocations of the public sector, and those expected from the private sector (other than oil companies) in accordance with what we have detailed in preceding paragraphs.

Table 10 (B) shows the sectoral break down of capital coefficient in accordance with what had been detailed before.

Table 10 (A)

SECTORAL DISTRIBUTION OF IRAQI INVESTMENT OVER THE FIVE FISCAL YEARS (1965—1969)

(In Million Dinars)

	Government Central Investment	Municipalities and Local Administration	The Economic Organization and Government Services	Private Sector	Grand Total
Agriculture ...	142	—	3	12	157
Industry (electricity and water) ...	168	—	42	5	215
Transport and Communications ...	91	—	8	20	119
Buildings, Housing and Social Services ...	97.697	24.833	—	141	263.530
Trade and Services ...	—	—	1	3	4
International liabilities and repayment of loans	25	—	—	—	25
Planning, Statistical and follow-up systems	2.470	—	—	—	2.470
Ministry of Defence (Productive Projects)	35	—	—	—	35
GRAND TOTAL ...	561.167	24.833	54	181	821

Table 10 (B)

SECTORAL BREAK DOWN OF CAPITAL COEFFICIENT

SECTOR	The value added to be achieved during the years of the Plan (in million Dinars)	Capital Co-efficient [1]	Investment (in million Dinars)
Agriculture ...	48	3.4	157
Industry, Electricity and Water ...	59	3.6	215
Transport and Communications ...	20	5.9	119
Other Sectors besides Oil ...	101	3.3	330
TOTAL ..	228	3.6	821

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(1) Taking into consideration the other factors affecting the productivity of agriculture, detailed on page 82.

(21) Sources of Finance :

A. Investments of the Private Sector :

It is expected that total investments of the private sector (other than oil) detailed in the preceding paragraphs, will amount to ID.181 millions. Raising of this amount will be, of course, from private savings and we do not think that there will be any difficulty in realizing these investments as they do not form more than 5% of the total national product, which rate is approximately half the rate achieved in some previous years.

B. Investments of Government Nationalized Sectors :

Financing the expansions of nationalized industrial establishments depends on reserve funds and profits realized on the one hand and both of utilized and un-utilized credits which could be relied upon in that respect on the other.

C. Municipalities, Local Administration and Public Services :

These institutions will finance their investments from revenues allocated to them and their profits on the one hand and from bank loans on the other.

D. Sources of Finance of Government Central Investments :

The major part of Government investments is the Government Central investment directly financed by the Economic Plan. The available sources for financing Government Central investments are the following:—

(1) Cash Balance carried forward on 31/3/1965 :

The cash balance brought forward from the fiscal year 1964—1965 to the Plan account amounted to ID.30.697 million.

(2) 50% Share of the Plan from Income Tax on Oil Companies :

The minimum amount expected to receive from oil revenues during the years of the Plan is ID.710 millions, on the basis that oil production will reach the maximum present capacity for exportation in the year 1966. But on the presumption of an improvement in the terms of reckoning oil profits and the increase of export capacity (resembled by pipelines capacity and transport facilities), it is possible that the revenues will reach ID.780 millions. So we expect to have the revenue of the Plan from this source within the range of ID.390 millions (based on keeping the share of the Plan 50%).

(3) Participation of the Iraqi Ports Directorate in financing its productive projects :

The Iraqi Ports Directorate will participate in financing its productive projects in the Plan to an extent of ID.8 millions.

(4) Net Profits of Government Services and Institutions :

Certain Government Services and Institutions, as Government Refineries and the National Electricity Service will participate by the amount of ID.4 millions for financing the Plan investments.

(5) Other Revenues :

It is expected that the Plan will be able to recover certain miscellaneous revenues, such as instalments of loans already extended, and proceeds from sales of some properties pertaining to projects after completion of execution: these revenues are estimated at ID.3.470 millions.

(6) Foreign Loans :

It is decided that a proportion not exceeding 12% of the grand total of both public and private sectors investments will be financed by foreign loans. This is a reasonable proportion in view of its accelerating effect on the development process, whose future repayment does not form a heavy burden. Therefore it was decided to limit financing by foreign loans to ID.95 millions.

(7) Domestic Loans :

It was decided to finance part of Government Central investments by expansion of bank credit in a way that activates or counter-balances hoardings and surplus productive capacities in the various spheres of production. The potentiality of this source of finance is estimated at ID.30 millions. This amount does not exceed 4% of the value of total investments, that proportion neither lays a great pressure on the balance of payments nor an appreciable effect on the general price level. Furthermore this method of finance is considered useful in treating the level of short-term economic activity, due to its ability to move hoarded savings and entering them within the current cycle of national income. It is further decided to regulate resorting to this source over remote intervals and that the spending of such finances should be directed to projects of high materials productivity, particularly those whose implementation does not require a high percentage of foreign currency.

(22) Budget Summary of Government Central Investments :

In pursuance of the aforesaid, it is decided that the Budget of the Government Central Investments during the five years of the Plan should take the shape shown in Table 11 following:—

TABLE 11

BUDGET OF GOVERNMENT CENTRAL INVESTMENT FOR THE YEARS 1965/1966 — 1969/1970

(In Million Dinars)

Revenues		Expenditures	
Cash Balance Brought/Forward on 31/3/1965.	30.697	Agriculture	142.000
Share of the Plan @ 50% of income tax on oil companies.	390.000	Industry and Electricity	157.000
Participation of Iraqi Ports Directorate in financing its productive projects within the Plan	8.000	Transport and Communications	91.000
Net profits of Government Establishments and Institutions	4.000	Buildings and Housing	108.697
Foreign Loans.	95.000	International Liabilities and Repayment of Loans	25.000
Domestic Loans	30.000	Planning, Statistics and Follow-Up Systems	2.470
Other Revenues	3.470	Ministry of Defence productive projects	35.000
Total	561.167	Total	561.167

(23) Allocations of Government Central Investments :

The sums shown in the expenditures side of the Budget for the Government Central Investments comprise the value of investment which is estimated to be actually realized. Yet our planning experience in the preceding years revealed that it is necessary to make the allocations of funds to the sectors larger than the funds expected to be actually spent for the following reasons :—

(1) Several of the projects proposed by the executing ministries are not supported by adequate studies, which makes it difficult to determine accurately the turning or sequence of their execution. A few of the projects will be postponed to the later years of the Plan or even to the next Plan, but the particular projects which will be effected by such postponement are not known for sure. Hence, it has been necessary to list a number of projects which is larger than the number expected to take effect, so that actual investment might not fall below the desired level.

(2) The payment of a number of financial liabilities is delayed till after completion in view of the existence of a trial and maintenance period clause.

(3) The determination and timing of implementation stages of the various projects are invariably based on the assumption of probabilities.

TABLE 12

ALLOCATIONS OF GOVERNMENT INVESMENTS OVER THE PLAN YEARS, INCLUDING ADVANCES

	Million Dinars.
Agriculture	173.560
Industry and Electricity	187.200
Transport and Communications	110.060
Buildings and Housing	134.769
International Liabilities and Repayment of Loans ...	25.000
Planning, Statistical and Follow-Up Systems	2.470
Ministry of Defence productive projects	35.000
Total	668.059

Table 13 shows the distribution of these investments over the years of the Plan.

Table 13

SUMMARY OF ALLOCATIONS OF THE FIVE YEARS ECONOMIC PLAN

Chapter	SECTOR	Total Allocations in the Plan (in Thousand Dinars)	Annual Allocations (In thousand Dinars)				
			1965—66	1966—67	1967—68	1968—69	1969—70
1st	Agriculture ...	173,560	25,133	37,005	37,112	37,122	37,188
2nd	Industry ...	187,200	32,100	40,460	40,610	40,360	33,670
3rd	Transport and Communications ...	110,060	26,566	27,480	24,925	15,094	15,995
4th	Buildings and Services ...	134,769	29,548	28,435	27,393	25,264	24,129
5th	Planning and Follow-Up Systems ...	2,470	534	484	484	484	484
6th	Ministry of Defence Productive Projects	35,000	10,000	6,250	6,250	6,250	6,250
7th	International Liabilities ...	25,000	2,120	3,000	5,565	4,427	9,888
	TOTAL ...	668,059	126,001	143,114	142,339	129,001	127,604

NOTIFICATION

1. The annual subscription for the weekly Gazette of the Republic of Iraq either the English or the Arabic version, shall be as follows:—

(a)	**In Iraq including Baghdad**	... **ID.5/—**
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3. It has been decided that the price of each issue of the Gazette on sale to non-subscribers shall be based on the number of forms (folded sheet equivalent to four pages) according to the following scale:—

No. of forms	Price
Up to four	40 Fils.
More than four and up to eight	80 ,,
More than eight and up to twelve	100 ,,
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More than twenty and up to twenty five	170 ,,
More than twenty five and up to thirty	200 ,,
More than thirty and up to thirty five	230 ,,
More than thirty five and up to forty	260 ,,
More than forty five and up to fifty	340 ,,

Annexures to the Gazette shall also be sold according to the above rates.

Director of Publications.